



Greater Letaba Municipality Annual Report



2009/2010

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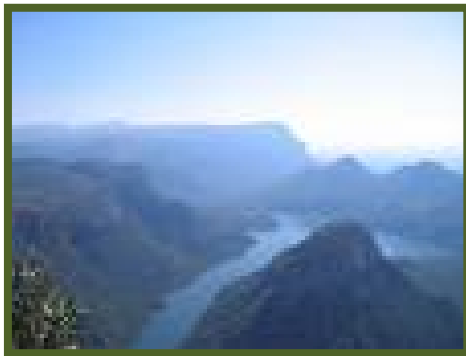
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Chapter One:

Introduction and Overview





Chapter 1: Introduction and Overview

1.1. Mayor's Foreword

Greater Letaba municipality is a unique institution manifested by a great deal of diversity across the spectrum of life. The phenomenon rain queen serves as an anchor of unity and development to our communities. The municipality is increasingly becoming an emerging star for service delivery and eco-cultural hub for tourists from all over the world. The municipality has entered into the social contract with its residents to provide services to the people in a coherent way and within limited budget constraints. The following strategic priorities has guided the municipality:

- Community development and job creation;
- Safe and secured municipality;
- Culturally inclined municipality;
- Tourism promotion;
- Infrastructure development; and
- Excellent administration and financial management

The municipal council has in the last financial year approved a system of performance management which enabled the municipality to enter into partnership with Mopani District Municipality to fund the services of IPM to help in monitoring the performance of the municipality. The municipality was preoccupied by numerous priorities for the year in question. We have gone all out to provide housing for our people, demarcated sites and unblocked 100 low cost housing units. However, the land claim processes hamstrung our efforts. The Office of the Mayor has since taken initiatives to negotiate with traditional leaders in order that they release land for purposes of development.

There are other many issues, as contained in this report, detailing specifics priority areas, performances during the year and measures taken to improve the situation. In pursuance of offering services to our people, we have brought on board Mopani District municipality and other public institutions of government to make their resources available to further assist the municipality to meet the needs of the community.

The achievements of Greater Letaba Municipality can be attributed to the desire to appoint highly qualified people, who bring innovation to the institution. And career advancement from within, especially by those seasoned personnel who show enthused determination to take the municipality to the heights. On the other hand, the relentless efforts by our communities to participate in planning, implementation and evaluation mechanisms, as availed by the municipality through a range of dimensions, has undoubtedly contributed to our success. In a nutshell, the report highlights some of the significant milestones our municipality has achieved. However, given the immense work that still lies ahead regarding pushing back the frontiers of poverty, there is still more concerted efforts and resources needed to eradicate the remaining pockets of poverty.

MODJADJI G.H
MAYOR : GREATER LETABA MUNICIPALITY



1.2. Overview of the Municipality

Greater Letaba Municipality is composed of the following hubs: Segopo, Sekgosese, Mokwakwaila, Ga-Kgapane and Modjadjiskloof where the main Office is situated. The Municipality's main economic focus for turning around the local economy is through tourism (baobab tree, Modjadji dynasty and elephant rides and Nature reserve), agriculture, forestry and agro-processing industries. In an attempt to improve the municipality's tourism capacity, the municipality entered into partnership with the Irish Development Agency to build Sekgopo Community B&B and Modjadji Nature Reserve Interpretation Centre. This development also made it possible for residents in Sekgopo to benefit from owning the B&B and being trained on different courses.

Community consultation as championed by the Speaker's Office, Cllr. N.N. Baloyi and Mayor's Office, Cllr. G.H. Modjadji is at the heart of good governance in the Municipality to enhance community participation and informed decision making. As a result, the 2008/2009 financial has seen Greater Letaba Municipality expanding its service delivery in terms of infrastructure development through paving of gravel roads to rural areas, namely Sefototse, Mamaila Mphotoane, Modjadji valley, Thakgalane, Modjadji Ivory Route, Kuranta and Sekgopo. This process did not stop the municipality from the issue of urban renewal as the municipality continued with its paving of Ga-Kgapane, Senwamokgope Township and Mokgoba village.

The Greater Letaba Municipality continued with its mandate to create jobs to its local community through EPWP projects as outlined in the report. During the IDP/Budget process our community has again given the municipality a mandate to continue to implement projects in line with Government priorities, hence the infrastructure development has again come out as the main priority of the municipality. With all these achievements, the municipality is still unable to effectively communicate achievements to communities, hence council's prioritization of the approval of the Communication Policy and filling of the post of the Communication Officer in the 2009/10 financial year.

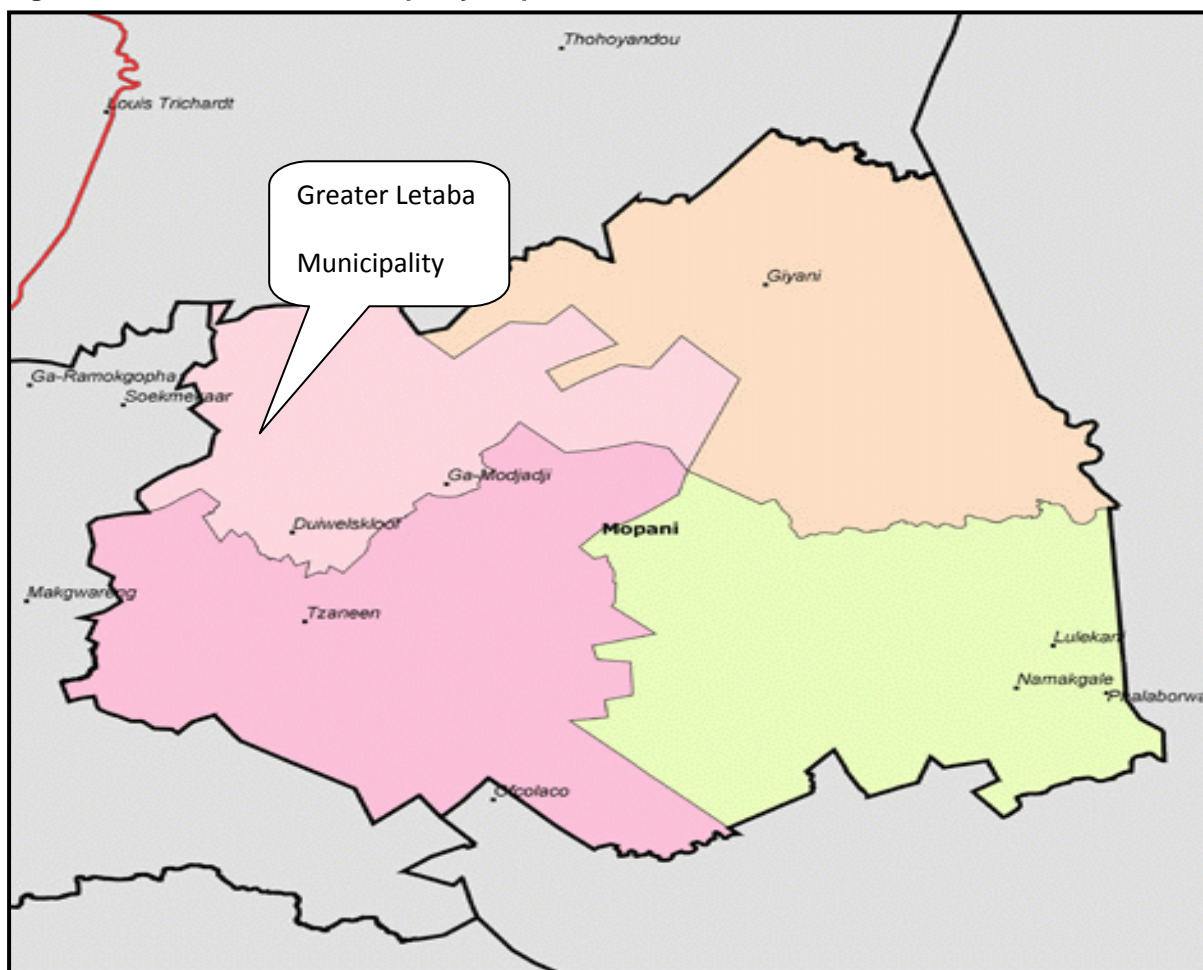
The Municipality's sewerage system is still managed through a suction tanker while the Mopani District Council is busy developing the water borne sewerage system. The sewerage development has also brought the challenge of rebuilding of roads or streets. The roads or streets have deteriorated to an extent that the municipality will have to seriously consider increasing the maintenance budget in the 2010/11 financial year.

1.3. A short description of the municipality

Greater Letaba Municipality (GLM) is located in the north-eastern part of the Limpopo Province in the jurisdiction area of Mopani District Municipality. Greater Letaba Municipality shares borders with Greater Tzaneen Municipality in the south, Greater Giyani Municipality in the east, Molemole Municipality in the west and Makhado Municipality in the north as depicted in the map thereof:



Figure 1: Greater Letaba Municipality map



Greater Letaba Municipality area is one of the smaller municipal areas in terms of land area, and characterized by contrasts such as varied topography, population densities (low in the south, relatively dense in the north-east), prolific vegetates in the south (timber) and sparse in the north (bushveld). Although resources within the boundaries of the Municipality are scarce, the proximity of natural resources (dams, tourist's attractions, intensive economic activity, and nature reserves) to the borders of the municipality creates the opportunity for capitalization.

The “gates” to the municipal area are considered to be Sekgopo in the west and Modjadjiskloof in the south. The land area of Greater Letaba Municipality extends over approximately 1891km². The Greater Letaba Municipality incorporates the proclaimed towns of Modjadjiskloof, and Ga-Kgapane, situated in the extreme south of the municipal area, and Senwamokgope towards the north-west of the area of jurisdiction. There are also 128 rural villages within the municipal area.

1.4. Social Analysis

The socio-economic analysis will focus on the population size, age and gender profiles as well as the educational levels of the population. Information on the Socio-economic status of Greater Letaba Municipality was mainly gathered using Ward surveys, Community Survey 2007. Ward committee members, CDW's, Ward Councillors, sector departments, etc. Because of human factors, information



gathered from the community may not be as satisfactory as desired but would give a practical indication of the municipality's current reality. The majority of the municipal population is indigent and in some instance, farm workers.

1.4.1. Demographics

1.4.1.1. Population and Household Size

The population resident in the Greater Letaba Municipality area is estimated at 247 736. This calculates to 131 people per km². Approximately 59 539 households live in Greater Letaba with an average household size of 4.2 which is smaller than the district average of 4.4. The household size in Greater Letaba Municipality has grown from 4.1 in 2001 to 4.2 in 2008 with the district household being stagnant. This scenario however, does not mean that the population in the district has not increased but that there has been a parallel growth between the population and household sizes.

1.4.1.2. Age & Gender Profile

The population is very young with 36.4% of the people younger than 15 years in 2008. Although there has been a sharp decrease in the number of registered births in the municipal area, it has also come to light that non-registration of births is prevalent and that it is most unlikely that the birth rate has dropped. It would therefore be safe to assume that the youthful profile of the resident population has been maintained since the previous census. The youth are most severely affected by the priority issues (water, electricity, school, health facilities, etc.). The high unemployment rate and general lack of jobs will affect this segment of the population once they enter the employment market as job seekers.

From Table 1 it is evident that the gender distribution is not much different in the age group 0 - 14. However in the age group 15-34 the percentage females are notably more while in the age group 35-64 difference is significant. Male absenteeism (migrant employment), is evidently responsible for males being outnumbered by females.

Table 1: Population distribution in terms of Gender and Age Group

Age group	Gender	2001	2006	2008
0	Male	11659	12266	11799
	Female	12017	12642	13552
5 to 14	Male	32168	33842	33258
	Female	32761	34466	31581
15 to 34	Male	34696	36502	41995
	Female	41155	43297	45883
35 to 64	Male	16105	16943	18799
	Female	27667	29107	33202
Over 65	Male	3497	3679	3245
	Female	8398	8835	10799
Total	Male	98125	103233	112275



	Female	121998	128348	135461
Total	All	220123	231581	247736

Source: Census 2001 & 2007 Statssa Community Survey

Many households are headed by females (55.9%) because of male absenteeism, which may result in these households living in conditions of absolute poverty. This is higher than that of the district (49.7%). The majority of the households with no income are headed by women. These households are therefore more reliant on social grants and are more dependent on the delivery of free basic services. The table below gives an indication of the proportion of males and females in terms of head of households.

Table 2: Gender by head of households

	Greater Letaba	%	Mopani	%
Male	26256	44.1	133333	50.3
Female	33283	55.9	131956	49.7
Total	59539	100	265289	100

Source: Community Survey 2007, Statssa

1.4.2. Education Levels

The highest level of education attained by over 20 year olds provides a good picture of the skills of the labour force. From Table 3 it is clear that the overall level of education of the population of Greater Letaba improved from 2001 to 2008. The percentage of illiteracy is estimated at 28.5%, which shows a decline in the level of illiteracy by 17.3 percent. The progress thereof is satisfactory; the level of illiteracy is still worrying since it impacts on the employability of the population. It also indicates a need for Adult Basic education. Though Department of Education has since 2001, built a satisfactory number of schools in the municipal area, villages such as Mohokoni, Hlohlokwe and Taulome are without secondary schools while Modumane and Makaba remain entirely without a school. Survey has also revealed overcrowding and dilapidation of Schools in Mamaila and Malematja respectively.

Table 3: Levels of education in Greater Letaba and Mopani District

	GLM	%	Mopani	%
Grade 1/sub A (completed or in process)	7627	5.6	31711	5.4
Grade 7/standard 5	15877	11.7	64097	10.9
Grade 11/standard 9/form 4/NTC II	15919	11.8	68420	11.7
Attained grade 12; out of class but not completed grade 12	6419	4.7	30580	5.2
Grade 12/Std 10/NTC III (without university exemption)	10159	7.5	52920	9.0
Grade 12/Std 10 (with university exemption)	754	0.6	10195	1.7
Certificate with less than grade 12	1430	1.1	10497	1.8
Diploma with less than grade 12	1562	1.2	7780	1.3
Certificate with grade 12	952	0.7	6448	1.1
Diploma with grade 12	2777	2.1	13095	2.2
Bachelor's degree	1479	1.1	6879	1.1
BTech	78	0.1	999	0.2
Post graduate diploma	317	0.2	2431	0.4
Honour's degree	459	0.3	2043	0.3



Higher degree (masters/PhD)	-	-	1127	0.2
No schooling	38459	28.5	146863	25.1
Out of scope (children under 5 years of age)	28068	20.8	113316	19.4
Unspecified	2334	1.7	8115	1.4
Institutions	494	0.4	8476	1.5
Total	135165	100	585991	100

Source: Community Survey 2007, Statssa.

1.4.3. Income & Employment

In 2001, approximately 88.4% of households had an income of less than R1 600 per month. This was in tune with the UN Report which states that 64% of households in the Limpopo Province subsist “below the breadline” - i.e. household income of less than R1 200 per month. This has decreased to 80.8% in 2008. This however, does not necessarily mean that fewer jobs have been created since 2001 or that there has been a high rate of retrenchments. The figures clearly indicate that the rate of job creation has been relatively lower than the demand. This is usually a result of more people becoming economically active.

Almost 94.2% of households earned less than R3200 per month in 2001. This has reduced to 80.8% in 2008 showing an improvement in income per household. It is also worrying that about 2.3% (3200 households) of the households did not give responses. This is very detrimental to the accuracy of the data contained for the purpose of illustrating the actual situation in the municipality.

Table 4: Income per households

	GLM	%	MDM	%
No income	85530	60.8	368673	58.4
R 1 - R 400	11172	7.9	48950	7.8
R 401 - R 800	17061	12.1	55535	8.8
R 801 - R 1 600	13038	9.3	72786	11.5
R 1 601 - R 3 200	2894	2.1	22010	3.5
R 3201 - R 6 400	3129	2.2	19742	3.1
R 6 401 - R 12 800	3692	2.6	16347	2.6
R 12 801 - R 25 600	376	0.3	4811	0.8
R 25 601 - R 51 200	264	0.2	1367	0.2
R 51 201 - R 102 400	-	0	418	0.1
R 102 401 - R 204 800	-	0	63	0.0
R 204 801 or more	-	0	59	0.0
Response not given	3200	2.3	13288	2.1
Institutions	412	0.3	6870	1.1
Total	140768	100	630918	100

Community Survey 2007, Statssa

Table 5 presents the employed population of Greater Letaba according to the sector they are employed in compared to the total for the Mopani District. From this table it is clear that the sectors employing the majority of the labour force are community, social and personal services (5671) Agriculture (5339), Whole sale (4456) and manufacturing (3716).



Table 5: Employment per sector

	GLM	%	Mopani	%
Agriculture; hunting; forestry and fishing	5339	3.8	11243	
Mining and quarrying	130	0.1	5620	
Manufacturing	3716	2.6	17142	
Electricity; gas and water supply	28	0.0	1844	
Construction	1421	1.0	8401	
Wholesale and retail trade	4456	3.2	24426	
Transport; storage and communication	810	0.6	5189	
Financial; insurance; real estate and business services	2134	1.5	10512	
Community; social and personal services	5671	4.0	30701	
Other and not adequately defined	2886	2.1	18416	
Unspecified	7445	5.3	36175	
Not applicable/Institutions	106732	75.8	461251	
Total	140768	100	630918	

Community Survey 2007, Statssa

1.5. Infrastructure Analysis

1.5.1. Multipurpose Community Centres

There are two multipurpose centres at Mokwakwaila and Soetfontein. These multipurpose centres play a critical role in ensuring that information regarding government activities is made accessible to the community.

1.5.2. Water

The Greater Letaba Municipal area is serviced through 3 water schemes, namely the Politsi, Modjadji schemes and the Middle Letaba Group Scheme. Water is sourced from the Modjadji Dam, situated approximately 29 km east of Modjadjiskloof and was constructed in the Molototsi River. More than 79 registered boreholes are in the municipal demarcated area but are maintained and administered by DWAF. Sekgopo and Sekgosese rely entirely on ground water, which in turn will now be included in the supply area of the Middle Letaba Regional Water Scheme. The challenge regarding the scheme is that the Middle Letaba Dam is not sufficient. Water quality in boreholes is found to be acceptable whereas boreholes in the eastern and south-western parts can be expected to dry up.

1.5.2.1. Modjadjiskloof water network:

Water is obtained from the Politsi Bulk Supply Pipe, by means of three connections. Two of the connections on the bulk supply line, supply water to the lower part of Modjadjiskloof town and the Tiger Brands canning factory. Approximately 80% of Modjadjiskloof town is supplied with water via the reservoir in Panorama. The pump station as well as the switchgear is in a relatively bad state and only one pump and motor is functioning. Maintenance and operation of the booster pump station, rising main and the Panorama reservoir are the responsibility of municipality. All the house connections and large users within Modjadjiskloof town are metered and a payment structure for services has been established. However, rehabilitation of the Modjadjiskloof dam needs to be



prioritised as it is currently silted. This led to a reduction of the capacity of the water supply as well as closure of the purification plant.

1.5.2.2. Ga-Kgapane water network:

There are two connections to the Politsi Bulk Water Supply Scheme, which are utilised for water supply to the Ga-Kgapane area which is divided into two distribution zones. A large number of the existing stands in Ga-Kgapane are metered, but most of the large users don't have metered connections, or have faulty or damaged metres. These problems, when coupled with illegal connections and dilapidated infrastructure constitute a worrying situation. DBSA in partnership with GLM is in the process to implement the Turnaround Strategy Water project to enhance the level of water delivery in the township.

1.5.2.3. Rural water supply schemes:

There are four rural water supply schemes (WSS) of which parts are situated within the Greater Letaba Municipal area, namely:

- *Upper Modjadji Rural Water Scheme;*
- *Worcester / Polaseng / Mothobeki Rural Water Scheme;*
- *Lower Molototsi Rural Water Scheme; and*
- *The Middle Letaba Regional Water Scheme.*

The first three water schemes are basically sub schemes, which together form the Modjadji water Scheme. The Modjadji water scheme is under upgrading process to a capacity of 9,0 Ml per day.

- ***Middle Letaba water supply scheme***

Although a relatively small portion of this water supply scheme is situated within the Greater Letaba Municipal boundaries, it involves approximately twenty villages.

- ***Upper Modjadji rural water supply system:***

This Water Supply Scheme (WSS) is situated in the former Bolobedu area, approximately 20km northeast of Modjadjiskloof. The villages served or to be served by this project, have little or no water supply systems. Available systems vary from boreholes equipped with hand pumps to boreholes with diesel motors and pumps that pump to small reservoirs with a few stand pipes of which few are not operational.

- ***Worcester / Polaseng / Mothobeki rural water supply scheme***

This WSS is situated in the former Central Bolobedu area, approximately 45 km northeast of Modjadjiskloof. Approximately nine villages in the Greater Letaba Municipal area benefit, or will benefit, from this scheme. Water extraction from streams is not reliable and often of bad quality. As a result, people have to walk excessive distances to collect water. The system will eventually be connected to the bulk supply scheme from Modjadji Dam.

- ***Lower Molototsi rural water supply scheme***

The project is situated in the former Eastern Bolobedu area, approximately 80 km northeast of Modjadjiskloof and will incorporate approximately nine villages that are situated in the Greater Letaba Municipal area. The villages served, or to be served, by this project, have little or no water supply systems. which varies from boreholes equipped with hand pumps to boreholes with diesel motors and pumps that pump to small reservoirs with a few stand pipes, of which many are not operational.



The survey (ward based) indicates that about 48 percent of the earth dams available in the municipality are either partially or completely silted. This calls for immediate cleaning of earth dams.

According to Table 6 approximately 60% of households in Greater Letaba had access to RDP standard water supply (Community Survey 2007, Statssa). This could indicate the progress made on water provision since the previous census. It is worrying that approximately 8.5% households still rely on springs, Rain-water tanks, stagnant water or dams, rivers and water vendors as primary sources of water. However, there has been a satisfactory improvement between 2001 and 2008. Households using piped water inside the dwelling have increased by 3015 while yard connections have increased by 2206. Households with access to piped water outside the yard (including sources in the form of boreholes) have increased by 17 375. These figures clearly indicate satisfactory development as far as access to water is concerned.

However, public participation process also brought to light crucial issues relating to water. The most common factor being the availability of reservoirs which are practically dysfunctional. Areas such as Moshakga and Maraka have already built dams with water not reaching intended recipients. The suspected main causes of the lack of insufficient water in these areas are illegal connections, too many car washes, insufficient water at the source, blockages, damaged pipes and dysfunctional pumps. Ga-Kgapane and Sekgosese Townships also remain overly challenged by water shortage.

Table 6: Household access to water in Greater Letaba, 2001 and 2008

	2001		2008	
	Households	%	Household	%
Piped water inside dwelling	2805	5.2	5820	9.8
Piped water inside yard	14863	27.7	17069	28.7
Piped from access point outside the yard	16367	54.6	32443	54.5
Borehole	571	1.1	1870	3.1
Spring	1509	2.8	714	1.2
Rain-water tank	60	0.1	-	-
Dam/pool/stagnant water	542	1.0	306	0.5
River/stream	2346	4.4	832	1.4
Water vendor	112	0.2	368	0.6
Other	1615	3.0	118	0.2
Grand Total	53732	100	59539	100

Source: Community Survey 2007, Statssa

1.5.3. Sanitation

Mopani District Municipality is in the process of developing a sewer system which would discharge its effluent in Ga-Kgapane sewer treatment works. The project which entails the construction of reticulation network, sewer outfall, pump station, rising main between Modjadjiskloof and Ga-Kgapane and the upgrading of Ga-Kgapane sewer treatment plant to 2,4 Ml/day is 57% complete. In the mean time, septic tanks and honey suckers are used to rid sewer discharge in Modjadjiskloof. The existing oxidation pond to accommodate the sucked sewage is not sufficient. The average volume of the sewage sucked from the septic tanks amounts to 72kl/day.



Mokgoba village has a sewer reticulation network which is currently dysfunctional and therefore requires urgent attention. The upgrading and expansion of the existing Ga-Kgapane sewer treatment works will benefit Ga-Kgapane, Mokgoba and Modjadjiskloof residents. The Senwamokgope sewer capacity is very limited as it contains about 2km length of outfall and oxidation ponds which do not meet the environmental requirements. The sewer system needs urgent attention.

1.5.3.1. Access to sanitation services

Access to sanitation in the municipal area is presented in Table 7. The information is based on both 2001 census and 2007 Community Survey. Though backlogs are still prevalent, there has been a notable progress since 2001. In 2001, 84.9% of households were below RDP standards while in 2008 the figures have dropped to 75.4% showing an improvement of 9.5%. Taking into consideration demographic processes which may impact on the backlog, it can be concluded that the progress in this instance is acceptable.

Table 7: Household access to sanitation

	GLM	%	Mopani	%
Flush toilet (connected to sewerage system)	5299	8.9	42745	16.1
Flush toilet (with septic tank)	1686	2.8	5989	2.3
Dry toilet facility	188	0.3	7692	2.9
Pit toilet with ventilation (VIP)	7488	12.6	28521	10.8
Pit toilet without ventilation	33752	56.7	119934	45.2
Chemical toilet	-	-	554	0.2
Bucket toilet system	60	0.1	124	0.0
None	11067	18.6	59730	22.5
Total	59539	100	265289	100

Source: Community Survey 2007, Stassa

1.5.4. Electricity

Currently the Greater Letaba Municipality has an old license to distribute electricity in Modjadjiskloof. The electrical network in Modjadjiskloof consists of the following:

- 11.5 km of bare overhead medium voltage lines connected to five 33kV/11kV substation transformers. These transformers are connected to Eskom grid power and have an installed capacity of 3.8MVA.
- The low voltage network consists of approximately 18 km of bare overhead conductors and 6 km of underground cables. Connected to the low voltage lines and cables are 24 transformers/miniature substations transforming MkV to 400V. The maximum installed capacity of these transformers is 4.8MVA.
- The customer base consists of 451 domestic, 4 agricultural, 4 manufacturing and 80 commercial users.
- The current winter maximum demand is in the order of 2.5MVA and approximately 12.3 Mwh of energy is purchased from Eskom annually.



Sixty eight percent (68%) of the electricity system in Modjadjiskloof has already been revamped. These include mostly main lines. The remainder i.e. reticulation lines are still to be revamped. ESKOM distributes electricity to the rest of the municipal area. Last year, the electricity backlog was estimated at 26000 connections i.e. 48.4%. Numerically, the backlog has reduced to 11726 i.e. 19.7%. This indicates that the municipality has electrified at least 12402 households since 2001 to date. Therefore the municipality has done exceptionally well in increasing access to electricity for households. The majority of the remainder of the villages are new extensions and therefore require only extensions from existing networks. While current progress on electrification of Modjadji Valley and additional 21 villages is notable, the Sekgopo area still remains with a huge backlog.

1.5.4.1. Access to electricity

According to the 2001 Census only 65.9% of the households in Greater Letaba utilise electricity for lighting while 33.3% used either paraffin or candles. The number of households with access to electricity has increased by 14.4%. This indicates a relative decrease in the backlog to only 19.7%. The situation is therefore acceptable as far energy supply is concerned.

Table 8: Household Access to Energy, 2001 and 2008

2001			2008	
	Households	%	Households	%
Electricity	35411	65.9	47813	80.3
Gas	50	0.1	122	0.2
Paraffin	3303	6.1	1121	1.9
Candles	14541	27.1	10299	17.3
Solar	78	0.1	-	-
Other	349	0.6	184	0.3
Total	53731	100	59539	100

Source: Census 2001 & Statssa Community Survey, 2008

1.5.5. Housing

1.5.5.1. Housing backlog

The Department of Local Government and Housing indicates a backlog of 4696 on the beneficiary list. This is based on the applications submitted by the municipality to Department. As such the indicated backlog is extremely lower than the actual backlog. Of this backlog, DLG&H could only address 2.1% (i.e. an allocation of 100 houses). With this progress, the municipality will not be able to ensure that all beneficiaries are allocated houses by 2014. 5187 RDP houses have been built since 2001.

It was very difficult in the financial year 2008/09 to determine how many of these units have been completed to date until an audit was done later in the year. The outcome of the audit is the data presented in the table which has been attached as annexure B. There are other factors that come into play as far as housing is concerned. These include, the challenge of unavailability of land to develop integrated settlements in areas such as Modjadjiskloof, Land claims posing a limitation on housing development. Rural housing however, may be an immediate solution to the challenge of housing as well as increment in unused infrastructure in the municipal area. This include among others, in-situ upgrading or constructing.



1.5.5.2. Types of dwelling

Table 9 indicates that approximately 84.8% of the households live in brick-houses showing satisfactory conditions of living. The table also shows that 4% of the households are in informal settlement. This calls for immediate spatial reconstruction and formalisation where possible. Huts and other traditional dwellings are also prevalent i.e. 6.5%. This indicates that numerous households still live in dwellings which are below RDP standards. The figures below do not necessarily mean housing backlogs as indicated by the municipality through ward based surveys have been exaggerated, as a larger percentage of the individuals in need of RDP houses still reside with parents or immediate relatives, hence the increase in household sizes.

Table 9: percentage distribution in terms of type of dwelling

	Greater Letaba	%	Mopani	%
House or brick structure on a separate stand or yard	50523	84.8	218974	82.5
Traditional dwelling/hut/structure made of traditional materials	3857	6.5	28271	10.7
Flat in block of flats	59	0.1	205	0.1
Town/cluster/semi-detached house (simplex: duplex: triplex)	55	0.1	1147	0.4
House/flat/room in back yard	459	0.8	1561	0.6
Informal dwelling/shack in back yard	250	0.4	2398	0.9
Informal dwelling/shack NOT in back yard e.g. in an informal/squatter settlement	2439	4.1	5534	2.1
Room/flatlet not in back yard but on a shared property	460	0.8	1428	0.5
Caravan or tent	-	-	-	-
Private ship/boat	-	-	87	0.0
Workers hostel(bed/room)	1378	2.3	5209	2.0
Other	60	0.1	474	0.8
Total	59539	100	265289	100

Source: Community Survey 2007, Statssa

1.5.6. Disability

Approximately 5.3% of Greater Letaba's population are disabled. 8.8% of disabled individuals are employed, 52.6% are not economically active while 36.4% are not applicable (institutions). Therefore Greater Letaba has a backlog of only 2.2% in terms of employment for the disabled.

Table 10: Gender and employment by disability

	Sight	Hearing	Comm- nication	Physical	Intelle- ctual	Emotional	Multiple disabilities	Grand Total
Male								
Employed	145	142	18	308	64	72	90	839
Unemployed	82	68	-	-	-	28	-	177
Not economically active	965	629	150	640	451	851	-	3687



N/A Institutions	705	-	126	855	311	65	66	2127
Female								
Employed	62	59	-	66	130	-	-	317
Unemployed	127	-	-	-	-	-	-	127
Not economically active	570	796	130	812	65	809	66	3247
N/A Institutions	1015	438	135	575	-	123	141	2666
Grand Total	3670	2132	559	3255	1020	1947	362	13186

Source: Community Survey 2007, Statssa

1.5.7. Elderly

Statssa describes an elderly person as an individual of over 65 years of age irrespective of gender. Based on this notion, about 5.7% of the entire population in Greater Letaba are elderly. Female elderly individuals have grown gradually since 2001 through 2006 to 2008. However, there has been a notable decrease in Male elderly between 2006 and 2008. This mirrors the scenario at the age group 35 to 64. The underlying factors causing the decline therefore need to be investigated.

Table 11: Population distribution of Males and Females by age (over 65)

Category	Gender	2001	2006	2008
Over 65	Male	3497	3679	3245
	Female	8398	8835	10799
	Total	11895	12514	14044

Source: Community Survey 2007, Statssa

1.5.8. Health facilities

Information gathered from the Department of Health & Social Development is that there is 1 hospital, 1 health centre and 20 clinics within the Greater Letaba Municipal area. Table 9 presents the capabilities of the hospital and health centre while capabilities of the clinics are presented in Table 10.

Table 12: Hospital (Ga-Kgapane) and Health Centre (Modjadjiskloof) facilities, 2008

		Ga-Kgapane	Modjadjiskloof/ Total
Beds		281	17
Wards		7	9
Theatre		1	2
Doctors	Seasonal	5	5
	Full time	6	
Nurses	Qualified	370	19
	Student	51	

Source: Department of Health & Welfare

Table 13: Clinic facilities in the Greater Letaba Municipality, 2008



Facility	Location	Beds		Nurses	Doctors
		Delivery	Post Natal		
Kgapane	Kgapane	2	2	8	Visiting weekly
Medingen	Medingen	2	3	9	Visiting weekly
Sekgopo	Sekgopo	2	3	9	Visiting weekly
Duiwelskloof	Modjadiskloof	0	0	8	Visiting weekly
Shotong	Shotong	2	3	14	Visiting weekly
Modjadj	Sekhwiting	2	2	Borrowed staff	Visiting weekly
Bolobedu	Bolobedu	2	3	8	Visiting weekly
Matswi	Matswi	2	3	8	Visiting weekly
Senobela	Senobela	2	3	9	Visiting weekly
Seapole	Seapole	2	2	6	Visiting weekly
Charlie Rengas	Charlie Rengaan	2	2	7	Visiting weekly
Mamanyoha	Mamanyoha	2	2	7	Visiting weekly
Lebaka	Lebaka	2	2	8	Visiting weekly
Maphalle	Maphalle	2	3	12	Visiting weekly
Raphehlelo	Raphehlelo	2	3	9	Visiting weekly
Mamaila	Mamaila	2	3	8	Visiting weekly
Middlewater	Middlewater	2	2	8	Visiting weekly
Pheeha	Pheeha	2	2	8	Visiting weekly
Rotterdam	Rotterdam	2	3	8	Visiting weekly
Bellevue	Bellevue	2	3	8	
Total	20	38	49	161	

Source: Dept Health, 2008

1.5.8.1. Access to Health Care

Statssa indicates that, within the Greater Letaba Municipal area, 42% of communities reside within 20 km of a hospital, 4% of communities reside within 10 km of a Health Centre and 91% of communities live within 5 km of a clinic. With the exception of the very low Health Centre statistic, Greater Letaba compares favourably with the other local municipalities in the Mopani District. The distance norm to rate accessibility does not take into consideration other restrictive factors, such as bad state of roads, and therefore health facilities are in all probability less accessible to communities than reflected by the Department of Health criteria.

Many of the residents of the municipal area make use of health facilities in adjacent areas, such as the Tzaneen Private Hospital, the Van Velden Hospital at Tzaneen, Nkhensani and the Pietersburg Private Hospital, for a variety of reasons. The area is well served by clinics although primary health care is relatively not sufficiently accessible to people in the villages, as there is only one mobile clinic in use which operates from the Ga-Kgapane Hospital. General problems encountered by the health services are the following:

- *Staff shortages*
- *Equipment shortages*
- *Out of order vehicles, and*
- *Strikes.*



Other challenges and needs in respect of health facilities however may be outlined as follows:

- *Insufficient mobile and visiting points*
- *A need for a health centre in Sekgopo, Senwamokgope and Mokwakwaila*
- *Acquiring a suitable site for the construction of a more capacitated clinic in Modjadjiskloof*
- *A need for EMS at Sekgopo, Sekgosese and Mokwakwaila.*

1.5.9. Library facilities

Libraries contribute significantly to the education of the Greater Letaba population. The Modjadjiskloof library and Soetfontein have been completed recently. There is a need for libraries in the following areas:

- *Mokwakwaila*
- *Soetfontein*
- *Sekgopo*
- *Ga-Kgapane*

1.5.10. Roads & Transport

Provincial link roads within the municipal area are generally in good condition. The street network in Modjadjiskloof is almost completely tarred and in an acceptable condition, the exceptions being two or three instances where flood damage have not been repaired. Access roads to villages and internal street within villages are problematic as a result of damage by floods. However, the municipality has developed a special programme (Grading Programme) to effectively deal with the issue. The majority of villages have inaccessible street networks, caused mainly by squatting in areas not suitable for residential development. In some instances, inaccessibility may be a result of roads being damaged by floods. The municipality has indicated roads and streets (including bridges) to be a priority issue. Public participation has revealed that almost all villages are challenged by unavailability and/or ineffective low level bridges at rivulets, streams or non-perennial rivers leading to schools and cemeteries. As such, measures should be taken to try and address this challenge.

A large percentage of the municipality's road infrastructure is old, rapidly deteriorating and in some cases, past its functional life. As a result, major rehabilitation is required to surface roads in the urban areas where road infrastructure has had little or no maintenance for the past few years. However, the annual increase in the maintenance budget has not kept pace with the escalation rates associated with this activity.

1.5.11. Emergency Services / Safety and Security

Emergency services were faced with a number of critical shortcomings such as shortage of funds, shortage of trained personnel, inadequate control centre and empathy on the part of role players (disregard for procedures, laws, regulations by public). There were also concerns around capacity in the event of major environmental accidents or natural disasters. Emergency services have been improved by the development of a Fire Station in Modjadjiskloof, which will also be supplemented by a Disaster Management Centre at Tzaneen which has been erected by MDM.



The police stations in Greater Letaba Municipality are presented in Table 14. Attempts to access crime statistics for the municipal areas have so far been unsuccessful.

Table 14: Police stations, 2007

Facility	Location	No. of police officers	Administrative personnel	Vehicles
Duiwelskloof Police Station	Modjadjiskloof	62	10	19
Bolobedu	Ga-Kgapane	117	15	39
Sekgosese	Senwamokgope	40	5	13
Satellite Stations	Mokwakwaila	9	0	1
Satellite Stations	Bellevue	4	0	0
Satellite Stations	Sekgopo	Members operating during the day and each relief send to members from CSC	0	1

Source: Dpt. Safety and Security, 2008

1.5.12. Waste management

The table below gives a clear picture on the extent of refuse removal/disposal in the municipality. The table below shows that the municipality still has a backlog of 88.6% in terms of direct household refuse removal. This is usually because the municipality only collects refuse in households in proclaimed areas. The backlog however, has reduced by 4.5 percent since 2001 census.

Table 15: Percentage distribution of households by type of refuse disposal

	Census 2001	CS 2007
Removed by Authority:		
At least once a week	6.3	9.1
Less often	0.6	3.0
Communal Refuse dump	1.1	3.7
Own refuse dump	66.7	60.2
No rubbish disposal	25.3	23.9
Other	-	0.1
Total	100	100

Source: Community Survey 2007, Statssa

1.6. Executive Summary

1.6.1. Vision

Greater Letaba Municipality's vision is "To be an outstanding agro-processing and eco-cultural tourism hub while providing sustainable and affordable services to all"



1.6.2. Mission

To ensure an effective, efficient and economically viable municipality through:

- *Provision of accountable, transparent, consultative and co-operative governance*
- *Improving the quality of life through economic development and poverty alleviation*
- *Provision of sustainable services*
- *Ensuring a safe and healthy environment*

1.6.3. The values of Greater Letaba Municipality

Values	Description
Consultation	Very good consultation mechanisms in place. Community involvement is promoted and their needs addressed
Transparency and openness	Goes hand in hand with consultation. Openness and communication through open meetings, financial disclosure, budgetary process and auditing
Courtesy	Council and Administration strive to conduct themselves in a civil, polite, decent, respectful manner and to always be thoughtful, kind and considerate toward each other and the community.
Access	To always be open and accessible to the community
Information	Together with accessible, to always supply the community with correct and understandable information
Accountable	Council and Administration strive to be accountable for their actions and decisions made.
Service Standards	Services to the community have to be rendered according to acceptable standards. The municipality needs to develop and implement service standards
Value for money	If the municipality wants to increase its revenue base, it should ensure that the community receives value for money when paying for services. The community will not be prepared to pay for poor services. Also the municipality must ensure that services are rendered in an effective, efficient and economical way to ensure optimal use of resources

Greater Letaba municipality derives its existence from the objects of local government as entailed in the section 152(1) of the Constitution of the Republic of South Africa:

- to provide democratic and accountable government for local communities;
- to ensure the provision of services to communities in a sustainable manner;
- to promote social and economic development;
- to promote a safe and healthy environment; and
- encouraging involvement of communities and community organizations in the
- matters of local government.

In the process of delivering services to the community, the municipality follows the five years strategic Agenda as adopted by national government, namely;



- *Municipal Transformation and Organisational Development*
- *Basic Service Delivery and Infrastructural Development*
- *Local Economic Development*
- *Financial Viability and Management*
- *Good Governance and Public Participation*

In addition to the Five Years Strategic Agenda, the municipality operates within the framework of the following municipal strategic priorities:

- (a) speeding up growth and transforming the economy to create decent work and sustainable livelihoods;
- (b) massive program to build economic and social infrastructure;
- (c) comprehensive rural development strategy linked to land and agrarian reform and food security;
- (d) strengthening the skills and human resource base;
- (e) improve the health profile of all our people;
- (f) intensify the fight against crime and corruption; and
- (g) build cohesive, caring and sustainable communities;

In its vision statement, the municipality asserts to be an outstanding agro-processing and eco-cultural tourism hub while providing sustainable and affordable services to all. Greater Letaba municipality provide core services geared to uplifting the social and economic standards of the communities by actualizing the following mission and values.

While the revenue base of the municipality has never improved since 1994, financial management of the municipal budget has improved tremendously that the municipality competes and leads other municipalities in the district and provincially. The Municipal Manager can confirm with no fear of contradictions that the finances of the municipality are in good hands. The present separation of duties has ensured that there should be no one official who can manipulate the financial system and commit fraud or steal money. With the appointment of KWCRS, the Municipality in collaboration with Mopani District and the DBSA has implemented a Turn Around Strategy to improve payment of services in the former black townships especially in Ga-Kgapane.

The financial year 2008/2009 was a year that Greater Letaba Municipality Council, personnel and its entire community will remember. It will be remembered as a year that after many years of struggling with adverse, disclaimer, qualifications opinions since its inception in 2000, step by step the municipality has achieved an unqualified audit opinion from Auditor General. The resent policies that have been passed by council and finance working culture that had inculcated by management have at last paid and public funds are secured.

In conclusion I want to single out and thank the Mayor, Cllr Modjadji G.H for his continuous guidance and support. I want to also express my gratitude to the Executive Committee, Councillors and Traditional Leaders for their commitment and dedication towards servicing the community of Greater Letaba Municipality. To my senior managers and to the rest of the staff member, I take off my hat to you and thank you for your selflessness, commitment and dedication to your work. The way you have stood your ground to all the adversaries you were facing, and the depressing working conditions at times that is highly commendable. The challenge we face now is to keep the spirit and achieve a clean audit. I thank you!!!!



1.7. Other Municipal Context

The dawn of democracy which was ushered by the establishment of municipal council as dictated by chapter 7 of the Constitution of Republic of South Africa, came with its own challenges that affected the new council, staff and residents of Greater Letaba Municipality, however the main of the new council was to ensure a smooth transformation with minimum circumstances hampering service delivery to its residents.

1.7.1. *The Integrated Development Plan*

In compliance with Section 34 of the Municipal systems Act (Act No.32 of 2000) read with Chapter 2 of the Local Government: Municipal Planning and Performance Management Regulations, No.R.796/2001, the Greater Letaba Municipality has developed an Integrated Development Plan which is revised annually, accompanied by organisational review and Performance Management System review.

The Integrated Development Plan is the municipality's strategic planning document which guides and informs all planning and development within the municipality and a tool that enables the municipality to work towards achieving development goals as outlined in the constitution. The IDP informs and is integrally linked and co-ordinated with the municipality's budgeting and performance management process.

The Municipality's long-term vision details the development priorities and cross cutting issues which contribute towards achieving the vision, strategies, programmes and projects; which are linked to a detailed budget and are all contained in the IDP. The Municipality has developed its objectives, strategies, projects and programmes in terms of IDP themes. There are:

- *Provision of Infrastructure and Services*
- *Creation of liveable towns and rural areas.*
- *Local Economic Development*
- *Community empowerment & redistribution.*

The Greater Letaba Municipality's IDP community consultation processes were extensive during the 2007/2008 financial year. This was used as a comprehensive feedback gathering session where approximately 9 budget representations were held across the municipality which was attended by approximately 650 people. In order for the Municipality to practice developmental local government spirit, one of the first steps taken by the municipality in response to the enormous challenge presented by the IDP 2006 was a series of strategic planning sessions by senior management, primarily intended to identify actions needed to transform the municipality into a developmental organization, as opposed to merely a one-dimensional "deliverer of services".

1.7.2. *Governance and Organisational Structure*

Section 151 (3) of the constitution of the Republic of South Africa stipulates that, "A municipality has the right to govern, on its own initiative, the local government affairs of its community, subject to provincial legislation, as provided for in the Constitution." The Constitution further specifies in section 155 (2) that, "National Legislation must define different types of municipalities that may be established within each category" Amongst other objects of Local Government outlined in Section 152 (1) of the Constitution, the municipality needs to strive within its financial and administrative capacity, to achieve the following:



- *to provide democratic and accountable government for local communities;*
and
- *to encourage the involvement of communities and community organizations in the matters of local government.*

1.7.3. Political Structure

In realizing the ideals referred to here above, Greater Letaba Municipality was established as a category B municipality in terms of Section 12 of the Municipal Structure's Act No. 117 of 1998. It was established as a municipality with a collective executive system combined with a Ward participatory system as per provision of Section 9 (b) of the Municipal Structures Act.

The Municipality has elected a Mayor Councillor Modjadji GH on the 11th May 2009 after the position has been vacated by the former Mayor Councillor Matlou LJ who is now the Executive Mayor of Mopani District Municipality. The resignation of Councillor Matlou LJ and Mohale MC resulted in Councillor Sambo GL and Councillor Mathedimosa M. An executive committee was also elected on the 31st May 2009 after vacation of two seats positions by two EXCO members (Sedibeng WD and Mohale MC who is now a member of parliament). The council has a speaker – Councillor Baloyi NN, Chief Whip – Councillors Mampeule PJ, 10 Traditional Leaders and Councillors totalling to 52. Of the 52 councillors, the African National Congress has 26 ward councillors, 21 Proportional Representative (PR) councillors with Democratic Alliance having 2 and African Christian Democratic Party, Ximoko Party and ADP having 1 PR councillors each.

The executive committee which is the principal committee of council is chaired by the Mayor and they receive reports from other committees of the council which are forwarded to council with recommendations if they cannot dispose the matter in terms of delegated powers. The Chief Whip plays his whippy role in party caucus. The 10 Traditional Leaders participate in council in line with the provisions of Section 81 of the Municipal Structure's Act.

1.7.4. Municipal Committees

Section 160 (c) of the constitution stipulates that, "a municipal council may elect an executive committee and other committees, subject to national legislation." Section 79 and 80 of the Municipal Structures Act No. 32 of 2000 gave effect, to this provision by establishing the following committees which are chaired by chairpersons who are members of the Executive Committee;



Table 16: Municipal Committees

Committee	Chairperson
Governance and Administration	Councillor Masutha MJ
Finance	Councillor Makhananisa MD
Municipal Infrastructure	Councillor Mogale ID
Economic Development	Councillor Machethe SF
Land Management, Property and Housing	Councillor Ramoshaba NG
Community Services	Moroatshehla MF
Social Services	Masela MP
Sports, Arts and Culture	Moshobane SH
Public Safety	Nakana EM

All committees are constituted by all councillors representing different political parties, officials and traditional leaders. Section 80 committees are established as and when required as outlined in the Act. The committees operate under the auspices of council and are delegated certain powers and duties to execute.

1.7.5. Municipal Council

Council is a structure that is vested with executive and legislative authority. Council is chaired by the Speaker who must among other functions ensure that council meetings are conducted in line with council rules and orders and those they meet quarterly.

1.7.6. Ward Committees

The municipal council has established 26 functional Ward committees in line with Section 73 of the Municipal Structures Act. The term of office corresponds with the term stipulated in section 24 of the Local Government Laws Amendment Act No. 19 of 2008. The committees are chaired by ward councillors and have powers and functions to make recommendations on any matter affecting their ward to all structures of council through the ward councillors as specified in Section 74 of the Act. Ward committees give effect to public participation as outlined in chapter 4 of the Municipal Systems Act by assisting Ward councillors in mobilizing, organizing consultative meetings and activities, disseminating information and encouraging participation from residents in the ward. Ward committees have a budget to cater for their out of pocket expenditure.



CHAPTER TWO:

Performance Highlights





Chapter 2: Performance Highlights

In terms of the National Treasury guideline on compilation of annual report, Chapter 2 should provide a brief narrative of all the services provided by the municipality and the performance highlights for the year. The chapter should comment on the progress in eliminating backlogs in service delivery for the key services for the key functions of water, electricity, sanitation, refuse removal and roads. In Greater Letaba municipality this functions are located in the Infrastructure Development and Planning and Community Services directorates.

2.1. Service Delivery Backlog as of June 2010.

Greater Letaba municipality has its own challenges in terms of service delivery issues. The table below reflects the service delivery backlog:

Service	Households	Access	% Access	Backlog	% Backlog
Water	59539	34825	58%	24714	42%
Sanitation		34630	58%	24909	42%
Electricity		56310	95%	3229	5%
Housing		54843	92%	4696	8%
Roads		4694	7%	54845	93%
Waste		4080	7%	55459	93%



2.2. Breakdown of Access to Services

Percentage % of Households With Access to Basic Level of Water, Sanitation, Electricity and Solid Waste Removal

% of households with access to water in Traditional Areas	60%
% of households with access to Water in Informal areas	0%
% of households with access to sanitation in Traditional Areas	94%
% of households with access to Sanitation in Informal areas	0%
% of households with access to Electricity in Traditional Areas	95%
% of households with access to Electricity in Informal areas	0
% of households with access to Solid Waste Removal	11.8%



2.3. Analysis of Services Provided

2.3.1. Water Services

PLANNED INTERVENTIONS	Planned Targets	Progress Made	Key Challenges	Interventions	Budget Allocation	Budget Spent
Free Basic Water Services	59 539	The municipality delivers water to communities by using water tankers in case of emergencies. Provision is made for Free Basic Water Services for consumers who pay rates and taxes in the municipality.	Inconsistent availability of water	Delivery through available water tankers to affected areas. MDM in process to upgrade the Modjadji Water Purification plant	3 000 000	
Number of households receiving free basic water services	34 760	The municipality delivers water to villages by using water tankers where there is a serious shortage. Most of the poor people reside at villages.	Increasing number of breakdowns at villages opposed to available water tankers	Delivery through available water tankers. MDM has advertised for a contractor to deal with broken boreholes.		
Number of poor households receiving	59 539	The municipality delivers water to	Increasing number of breakdowns at	Delivery through available water tankers. MDM has		



PLANNED INTERVENTIONS	Planned Targets	Progress Made	Key Challenges	Interventions	Budget Allocation	Budget Spent
free basic water against total number of poor households. Number of poor households remaining to be served		villages by using water tankers where there is a serious shortage	villages opposed to available water tankers	advertised for a contractor to deal with broken boreholes.		

2.3.2. Water Supply

PLANNED INTERVENTIONS	Planned Targets	Progress Made	Key Challenges	Interventions	Budget Allocation	Budget Spent
Total number of households served against total number of households. Number of households remaining to be served.	59 539	34 825	Unavailability of bulk water affects the statistics adversely. Middle Letaba dam lacks water	MDM has implemented some water projects in different areas within the municipality		
Reduction of unaccounted for water	100%	Billing has increased from 61% to	Illegal pipe connections result with unaccounted water	KWCRS was appointed By MDM for turnaround strategy to resolve water loss at		



		77%		Ga-Kgapane, Mokgoba and surrounding areas		
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2.3.3. Electricity

PLANNED INTERVENTIONS	Planned Targets	Progress Made	Key Challenges	Interventions	Budget Allocation	Budget Spent
Total number of households served against total number of households	59 539	56 310	Projects were delayed by shortage of funds to complete the electrification of 21 villages project	DME has allocated R10,000,000 from April 2010		
Total number of households remaining to be served	3 227	1880				
Electricity Projects						
4 x Highmass Lights	3 x villages: Ga-Kgapane, Maphalle and Mokgoba	Infrastructure complete	Lights not working properly with the same challenge	Contractor to engage Lighting Structure who are sub-contractors	R728,069	R728,069
Free basic energy	6557	3032	Identification and verification of indigent beneficiaries.	Submitted a list of beneficiaries to ESKOM, especially those residing outside Modjadiskloof	R1,980,000	



Total number of indigent households served:	34 760	29 544	Projects were delayed by shortage of funds to complete the electrification of 21 villages project	DME has allocated R10,000,000 from April 2010		
Total number of poor households served against total number of poor households (indigents)						

2.3.4. Road and Storm Water

PLANNED INTERVENTIONS	Planned Targets	Progress Made	Key Challenges	Interventions	Budget Allocation	Budget Spent
Roads Infrastructure Strategy	100%	0	Lack of internal capacity to develop a credible infrastructure strategy.	MDM resolved in the IGR to develop the strategy which will incorporate all the LMs		
Maintenance and Rehabilitation of roads and storm water drainage	757 km (total unpaved)	757	Shortage of construction machines	Proposal was submitted for purchasing a new machine instead of repairing one costing over R500,000	R3,459,400	



2.3.5. Road and MIG Projects

PLANNED INTERVENTIONS	Planned Targets	Progress Made	Key Challenges	Interventions	Budget Allocation	Budget Spent
Kuranta Street Paving	Upgrading from gravel to concrete blocks paving for 1,5 km	95.0%	The contractor still busy with Sefotse and Mamaila villages	Meeting held with the contractor to speed up the progress	R3,700,000	R3,700,000
Mamaila Mphotwane Street Paving	Upgrading from grave to concrete blocks paving for 2,0 km	100.0%	Contractor is behind schedule	Warning letter submitted to the contractor	R4,590,000	R4,590,000
Sefotse Street Paving	Upgrading from grave to concrete blocks paving for 1,5 km	100.0%	Contractor is behind schedule	Warning letter submitted to the contractor	R3,700,000	R3,700,000
Mokgoba Street Paving	Upgrading from grave to concrete blocks paving for 2,0 km	100.0%	Rain affected progress	Contractor to speed up the progress	R3,348,764	R3,348,764
Sekgopo Street Paving	Upgrading from grave to concrete blocks paving for 1,0	100.0%	Rain affected progress	Contractor to speed up the progress	R2,325,210	R2,325,210



	km					
Modjadji Valley Street Paving	Upgrading from grave to concrete blocks paving for 3,0 km	100.0%	Road damaged due to rain	Contractor to repair damages at his cost	R8,962,200	R8,962,200
Ivory Route Street Paving	Upgrading from grave to concrete blocks paving for 2,0 km	93.0%	The contractor is busy at Modjadji Valley as a result he is not doing well at Ivory Route	Contractor to speed up the progress	R5,974,800	R4,851,219
Thakgalane Street Paving	Upgrading from grave to concrete blocks paving for 2,0 km	100.0%	Pipeline exposed along the road	Pipeline to be relocated	R4,478,921	R4,478,921
Malematsa Street Paving	Upgrading from grave to concrete blocks paving for 1	100.0%	Lack of borrow pit	Discussion with traditional leaders from Malematja	R5,828,675	R5,828,675
Rapitsi Streets Paving	Upgrading from grave to concrete blocks paving for 1	98.0%	Lack of borrow pit	Discussion with traditional leaders from Malematja	R5,828,675	R4,958,456
Rehabilitation of streets in Modjadjiskloof	Rehabilitation of layers, re-seal, slurry, patch work, fog spray and kerbing	50%	Unfavourable weather condition	None	R1,500,000	R690,817



2.3.6. Municipal Infrastructure Grant

PLANNED INTERVENTIONS	Planned Targets	Progress Made	Key Challenges	Interventions	Budget Allocation	Budget Spent
Development of Municipal Infrastructure Investment Framework Strategy	5%	The Department of Local Government and Housing has appointed a service provider to develop the MIIFS for the municipalities in Vhembe and Mopani District.	Information in the draft document is not reliable	DLGH to present the document to the Infrastructure Portfolio committee		
Development of Land Use Management Planning system	100%	100%	To be adopted by Council	Service Provider has amended all maps		
Improving expenditure on MIG Actual 2009/10 MIG expenditure against total budget allocation	75%	100%	None	None	R23,590,000	R23,590,000



EPWP	11	11	Slow progress in electrification projects	Training done for 30 labourers at Thakgalang, Kuranta and Sefofotse	R25,590,000	R27,839,000
Number of project under EPWP						
Number of job created through the EPWP projects	640	715	No training in other projects	Applications submitted to DPW		

2.3.7. PMU and Building Projects

PLANNED INTERVENTIONS	Planned Targets	Progress Made	Key Challenges	Interventions	Budget Allocation	Budget Spent
Senwamokgope Community Hall and Abattoir	Construction phase	Designs completed and contractor to be appointed	Insufficient allocation MIG	Requested additional funding from COGTA	R1,800,000	R263,205



2.3.8. Integrated Development Planning

PLANNED INTERVENTIONS	Planned Targets	Progress Made	Key Challenges	Interventions	Budget Allocation	Budget Spent
Appointment of IDP officer	100%	IDP officer was appointed in May 2010	None	None		
2007/08- 2012/13 Approved IDP	100%	In process to review the IDP document	None	None		
Approved Spatial Development Framework?	100%	Service provider appointed to review the SDF	None	None		
2010/11 IDP/Budget Review schedule approved by the council?	100%	100%. The IDP was adopted by Council at the end of May 2010	None	None		



2.3.9. Local Economic Development

PLANNED INTERVENTIONS	Planned Targets	Progress Made	Key Challenges	Interventions	Budget Allocation	Budget Spent
Alignment of the District LED strategy with Local Municipalities LED Strategies	100%	100%	None	In process to develop agricultural, tourism and investment strategies		
Alignment of LED Strategy with PGDS, EPWP, ASIGISA; PPP; NSDP;	100%	100%	None	In process to develop agricultural, tourism and investment strategies		
Implementation of District LED Summit Action Plan	100%	None	MDM did not have LED summit	MDM budgeted for the summit for 2010/11 financial year		
Anchor Projects implemented	1 x hydroponics project				R200 000	
	Youth development projects	meetings with LIBSA	Delay in identification of beneficiaries	Advert was published	R600 000	
Functionality of LED District Forum	3 meetings	More than 3 meetings were held to address IGR	Attendance by sector department s	Further interactions with the district		



PLANNED INTERVENTIONS	Planned Targets	Progress Made	Key Challenges	Interventions	Budget Allocation	Budget Spent
		matters				
LED units	100% functional	100%	Shortage of staff	Assistant Director LED was appointed in May 2010		
LED job creation initiatives	640	1070	None	None		
Number of jobs created through LED						

Chapter 3: Human Resources and Organisational Management





Chapter 3: Human Resources and other Organisational Management

3.1. Introduction to the Municipal Workforce

3.1.1. Greater Letaba Administrative Structure

Section 160 1 (d) of the constitution stipulates that, “A Municipal Council may employ personnel that are necessary for the effective performance of its function.” To give effect to this provision, council has appointed a Municipal Manager who is the head of administration and also the accounting officer for the municipality as outlined in Section 82 of the Municipal Structures Act.

Council further appointed Managers who directly account to the Municipal Manager in consultation with the Municipal Manager in line with the provision of Section 56 of the Municipal System’s Act No. 32 of 2000. All Directors were appointed in December 2008 except the Director for Community Services. The Municipal Manager’s contract expires at the end of August 2012.

The administrative structure of the municipality has been reviewed and adopted by council on the 31st May 2009 as required by Section 66 of the Municipal System Act. Greater Letaba have four departments namely, Corporate Services, Community Services, Budget and Treasury office and Infrastructure Development and Planning. Each department and the office of the Municipal Manager have specific functions that they perform to give effect to Council’s mandate as enshrined in Section 152 of the Constitution of the Republic of South Africa. See attached Organogram

The municipality has an Integrated Development Plan that informed the Budget and Service Delivery and Budget Implementation Plan. All Directors and the Municipal Manager have duly signed employment contracts and performance agreements. The management team’s mission is to oversee, coordinate and manage the transformation and strategic agenda of the municipality as well as facilitation of the transformation process by providing strategic advice and of support for the Mayor, Speaker, Council committee, EXCO and Municipal Council.

The municipal head quarter is located at Modjadjiskloof in Botha Street. To ensure accessibility of Services to the public, there are three sub-offices which are located at Ga-Kgapane, Mokwakwaila and Senwamokgope.

3.1.2. Municipality’s Administration Structure and Staff Components

The Greater Letaba Municipality administration has been organized into five main directorates. The management team’s mission is to oversee, coordinate and manage the transformation and strategic agenda of the municipality as well as facilitate the transformation process by providing strategic advice and project support to the Mayor, Speaker and Municipal Manager thereby ensuring that there is political and administrative unity. Each of the directorates including the Municipal Manager’s office, contain a set of operational divisions. Service plans are developed by each directorate to ensure quality and effective service delivery.



The following individuals are members of the municipality top management:

POSITION	NAME
Municipal Manager	Mr. Mutshinyali IP
Chief Financial Officer	Mr. Mankabidi ME
Director – Corporate Services	Mrs Mashaba TG
Director – Infrastructure, Economic Development & Planning	Mr. Molokomme MW
Director - Community Services	Mr Nkuna HA

3.1.2.1. The Municipal Managers Office

The overall purpose of the office is to provide strategic administrative support to the council.
The Municipal Manager's Office renders the following functions:

- *Manage risk and internal audit.*
- *Manage communication and events.*
- *Manage disaster services.*
- *Manage infrastructure development and planning.*
- *Manage community services and social development.*
- *Manage corporate services.*
- *Manage budget and treasury.*

All the functions mentioned hereabove are rendered by the four directorates reflected in the staff establishment, namely, Corporate Services, Budget and Treasury office, Infrastructure Development and Planning and Community Services. The two remaining functions are rendered under the auspices of the Municipal Manager's office.

a. Communication and Events Management

The division's purpose is to provide communication and event management while its function is to manage communication and events. The division had a post of a communication and event management officer which remained vacant throughout the financial year. The function was shared by the personal assistants of the Mayor and the Municipal Manager. They were able to implement the plan of the division despite the fact that the function was an added responsibility to both of them.

There are special programmes that are coordinated in the division, namely, youth, HIV/AIDS gender and disability. The functions needed two officers in terms of the staff establishment. Only one post was occupied. The officer coordinated all functions as depicted under the performance highlights.



b. Internal Audit and Risk Management

The divisions provide internal audit and risk management services.

The functions rendered by the division are internal audit and risk management. Each function was supposed to be performed by one employee. Both functions were provided by SABAT, a company outsourced by the municipality.

The entire staff compliment in the Municipal Manager's office was supposed to be 17 inclusive of the Mayor's office.

Out of 17 positions, 13 were filled and 4 were vacant.

3.1.2.2. Department of Corporate Services

The Department has a director's post which is filled. The post of Assistant Director Performance Management has been filled. The main purpose of the directorate is to provide corporate services. The department provide the following functions:

a. Human Resource and Information Technology

- Manage of human resources and Information Technology services

In terms of the approved staff establishment the Human Resource and Information Technology division had 4 positions. At the end of the financial year, 3 positions were filled. The position of admin. officer in human resource was vacant, after the officer who occupied the position was dismissed by the municipality due to misconduct.

There was also a post of an admin. clerk in the human resources which was occupied until May 2008 when the employee who was occupying the position was dismissed. It was abolished on review of the staff establishment in May 2009. The function was not fully carried out because of the huge backlogs which were there before appointment of staff. The administrative function suffered enormously.

b. Human Resource Training And Development

Manage human resource training and development.

- The division had two positions. Only one position was occupied. The function was rendered except that most of the plans were implemented towards the end of the financial year because of slow progress in procuring services. The annual training report and Workplace Skills Plan were submitted on time.

c. Secretariat and Administration

Manage secretariat and administrative services.

- The secretariat and administrative services division had 6 positions. Four positions out of six were filled. One position of the messenger was occupied on an acting capacity. The post of customer care was vacant.



- The council and committee functions were fully provided hence their glaring functionality on timelines were fully adhered to. The function that had suffered is customer care as the responsibility was added to the personal assistant of the Municipal Manager. In terms of the strategic priorities, the directorate was supposed to conduct a client satisfaction survey which was not conducted because of manpower shortage.

d. Legal and Labour Relations

Manage legal and labour relations services

- Two posts were approved and only one was occupied. The post of admin clerk was not filled. Legal and labour services were effectively provided and timelines were adhered to.
- The total number of posts in the directorates were 17.

A total of 11 posts were filled while 6 posts remained vacant.

3.1.2.3. Community Services

Waste Management Parks and Cemeteries			
Position	No. of Personnel as per Organisational Structure	No. Appointed	No. Vacant
Director	1	1	0
Secretary	1	1	0
Ass. Director (Waste Management, Parks and Cemeteries)	1	1	0
Environmental Officer	1	0	1
Subtotal	4	3	1
Refuse Removal			
Refuse Compactor Drivers	2	1 Appointed 1 Acting	1
General Workers	8	4	4
Subtotal	10	6	5
Refuse Tractor Drivers			
Tractor Drivers	3	2 Acting	3
General Workers	6	3	3
Subtotal	9	5	6
Parks			
Foreman Lawn Mower Operator	4	0	4
General Workers (Stadiums)	3	0	3
Subtotal	7	0	7
Solid Waste			
Foreman Solid Waste	1	0	1
General Workers	8	0	8



Subtotal	9	0	9
Street Cleaning			
Foreman Street Cleaning	1	0	1
General Workers (Modjadjiskloof)	9	9	0
General Workers (Ga- Kgapane)	6	0	6
Subtotal	16	9	7
Side Walks & Open Spaces			
Foreman Side Walks & Open Spaces	1	0	1
Gardner	3	0	3
General Workers	15	15	0
General Workers (Stadiums)	4	0	4
Subtotal	23	15	8
Cemeteries			
Foreman Gravedigger	1	0	1
General Workers	5	0	5
Driver	1	1	0
Subtotal	7	1	6
Traffic Safety and Licensing Services			
Assistant Director	1	1	0
Chief Traffic Officers	1	1	0
Chief Licensing Officer (Management Rep)	1	0	1
Traffic Officers	5	3	2
EDL Officers	4	0	4
Examiner Learners	1	1	0
Road Maker	1	1	0
General Workers Road Makers	2	2	0
Subtotal	16	9	7
Grand Total	101	48	56

Community Services directorate managed to perform its functions to wards achievement of strategic objectives. Challenges were experienced in the library function where anticipated income cannot be collected due to high membership affiliation fee. Waste management and Parks are some of the functions that are suffering due to enormous staff shortages. There were no general workers appointed for the rest of the financial year 2008/2009 for both parks and solid waste. The vacancy rate for general workers stand at 49%. The extension of waste management function to the villages remains a challenge due to staff shortage and equipment. This is coupled with lack of landfill site as it requires huge financial support.

The organogram depicts 101 posts in the directorate. Out of 101 posts, only 48 are occupied. A total of 53 posts are vacant. There are 3 positions which were occupied on an acting capacity.



3.1.2.4. Budget and Treasury

Position	No. of Personnel as per Organisational Structure	No. Appointed	No. Vacant
Chief Financial Officer	1	1	0
Chief Accountant (Assistant Director)	1	1	0
Secretary	1	1	0
Chief Admin Officer (SCM)	1	1	0
Procurement Officer	1	1	0
Accountant Revenue	1	1	0
Billing Officer	1	0	1
Billing Clerks	2	2	0
Credit Control Officer	1	0	1
Debtors Clerk	1	1	0
Cashiers	3	3	0
Accountant Expenditure	1	1	0
Senior clerk expenditure	1	0	1
Creditors clerk	1	1	0
Senior clerk salaries	1	1	0
Accountant Budget Control and Financial Reporting	1	1	0
Chief Admin Officer Asset Management	1	0	1
Indigent Support Clerk	1	0	1
Stores Clerk	1	1	0
General Worker Stores	1	1	0
Fleet and Asset Management Clerk	1	0	0
Grand Total	24	19	5

The department was able to perform all the function utilising the staff reflected here above, however the services of interns were utilised. The directorate has a staff complement of 19. Only 5 positions were vacant, which were complimented by the interns.

3.1.2.5. Infrastructure Development and Planning Department

Position	No. of Personnel as per Organisational Structure	No. Appointed	No. Vacant
Directors: Infrastructure Development and Planning	2	2	0
Secretary	2	2	0
Assistant Director: Infrastructure Development Services	1	0	1
Chief Superintendent: Road Storm water and Signage	1	0	1
Superintendent Road Storm water	1	1	0
General Workers Road Storm water	8	8	0
Tipper Truck Driver	2	2	1
General Workers: Tipper Truck	2	2	1



TLB Operators	2	2	0
Grader Operator	4	4	0
Grader Operator Assistant	4	3	1
Infrastructure Development Services Assistant Director	1	1	0
Electrical Chief Superintendant	1	1	0
Electricians	2	2	0
Electrical Meter Inspector	1	0	1
General Workers Electrical	6	4	2
Urban and Regional Planning Assistant Director	1	1	0
Chief Admin Officer Land Use	1	1	0
Admin Clerk Land Use	1	0	1
Building Inspector	1	0	1
Technical Land Survey	1	0	1
PMU Assistant Director	1	0	1
Technician Civil Engineering	1	0	1
Data Capturer	1	1	0
Development Planning Assistant Director	1	0	1
LED and Tourism Officer	1	1	0
Water Supply and Sanitation Chief Superintendent	1	0	1
Water Supply and Sanitation Superintendent	1	1	0
Water Pump Operator	1	0	1
Suction Tank Driver	2	0	2
General Workers Suction Tank	2	2	0
Water Tank Driver	2	2	0
General Workers Water Tank	2	2	0
Plumbers	2	0	2
General Workers Plumbing	4	4	0
Builder	1	0	1
General Workers Building	4	4	0
Mechanic	1	0	1
General Workers Mechanic	2	2	0
TOTAL	75	55	20

The Department had challenges in terms of implementing its functions due to shortage of key personnel. This resulted in deterioration of infrastructure within the municipality. The staff establishment depicts that the total posts in the directorate are 75. Out of 75 posts, only 55 are filled. There are 20 vacant positions.



Table 17: Total Staff Compliment in the 2008/2009

Directorate	No. Of Personnel as per Organisational Structure	No. Appointed	No. Vacant
Municipal Manager	17	13	4
Corporate Services	17	11	6
Budget and Treasury	24	19	5
Infrastructure Development and Planning	75	55	20
Community Services	101	48	56
Total	234	146	91

The total staff component in the financial year 2008/2009 was 146. With 91 positions vacant out 234 in the municipality organogram. The entire staff compliment in the Municipal Manager's office was supposed to be 17 inclusive of the Mayor's office. Out of 17 positions, 13 were filled and 4 were vacant. The total number of posts in Corporate Services directorates was 17. A total of 11 posts were filled while 6 posts remained vacant. The Infrastructure Development and Planning Department had challenges in terms of implementing its functions due to shortage of key personnel. This resulted in deterioration of infrastructure within the municipality. The Budget and Treasury department was able to perform all the function utilising the staff reflected here above, however the achievement was due to the utilisation of the services of interns. Community services manage to implement its functions, however challenges were experienced in terms of staff shortages.

3.1.3. Training of the Employees

During the financial 2008/2009 Greater Letaba Municipality managed to train some of the employees in different training fields. The training included amongst others the following staff categories:

- Municipal Manager and Directors
- Professionals and Legislators,
- Senior officials and managers
- Clerks and
- Labourers



Table 18: Employees Trained during the financial year 2008/2009

TRAINING INTERVENTIONS	TOTAL NO. OF EMPLOYEES TO BE TRAINED	ACTUAL NO. OF EMPLOYEES TRAINED	MALE	FEMALE	YOUTH	ACTUAL EXPENDITURE TO DATE	COMMENTS	FUNDER
SEBATA SYSTEMS	15	15	10	5		R 29 813.85	Completed	SEBATA
Local Government FIN certificate	6	6	2	4	1	N/A	In progress	NATIONAL TREASURY
CPMD	3	3	1	2	2	N/A	Completed	WITS UNIVERSITY
MFMP	3	3	1	2	3	N/A	In progress	NATIONAL TREASURY
Supervisor Skills	12	10	8	2		R46 200. 00	Completed	VUTIVI CONSULTING
IDP programme	25	24	17	7	2	R109 850. 00	Completed	DBSA
Traffic fines capturing	3	3	1	2	1	R3 500. 00	Completed	TRUVELO
Policy making	10	10	7	3	2	R68 400. 00	In progress	MAFUNISA CONSULTING



3.1.4. Loans and Advances owed to the Municipality

Before the introduction of the Municipal Finance Management Act, the municipality used to give loans and salary advances to the employees. The loans were deducted over a period of months. It is for this reason that loans that were taken in 2002 are still owed to the municipality. According to the records about 24 employees owe the municipality, however payment is being made on a monthly basis. Some of the employees are progressing towards paying up. The total outstanding amount is R37 389.41

3.1.5. Managing the Municipal Workforce

In Managing a Municipal Workforce effectively, it is important that Employee Policies and procedures are in place and reviewed and that the necessary employee contracts are in place. For Greater Letaba Municipality, a total number of 16 policies were reviewed.

a) Reviewed and Approved Policies

- *Council Committee, Rules of order and Probity Policy*
- *Ward Committees Policy*
- *HIV Policy*
- *Smoking Policy*
- *Capacity Building Policy (Skills Development Policy)*
- *Staff Provisioning Policy (Staff Recruitment Policy)*
- *Transport Control*
- *Motor Vehicle Scheme Policy (Travelling and Subsistence)*
- *Sexual Harassment Policy*
- *Granting of Bursaries to Members of Public Policy*
- *Mayoral Discretionary Fund Policy*
- *Contract of Service Policy*
- *Labour Relations Policy*
- *Conditions of Service Policy*
- *Communication Policy*
- *Language Policy*

The situation also warranted that new policies be developed. The municipality embarked on a process of drafting 17 new policies through the assistance of SALGA in order to enable the municipality to carry out its mandate legitimately.

b) Drafted Policies

- *Promotion of Access to Information Policy*
- *Anti Fraud and Corruption Policy*
- *Disaster Management Policy*
- *Public Participation Policy*
- *Career Management and Retention Policy*
- *Employees Assistance Program Policy*



- *Record Management Policy*
- *Protective and Uniform Policy*
- *Occupational Health and Safety Policy*
- *Notebook/ Laptop Policy*
- *Back up Policy*
- *Internet Acceptable use Policy*
- *IT password Policy*
- *Email Acceptable Use Policy*
- *Hardware and Software Policy*
- *IT Security Policy*
- *Cell Phones Allowance Policy*

3.1.6. Municipal Workforce Expenditure

Personnel expenditure was R26 869 288 (23.06%) of total budget for 2008/2009 R116 493 900 and R19 609 965.00 and R22 498 226.00 for the financial years 2006/2007 and 2007/2008, respectively. The increases of 16.27% and 12.84% during the financial year 2008/2009 was due to an annual increase and appointment of new personnel both managerial and general staff. The increase of 12.84% during 2007/2008 financial year was generally due to annual increases and salary adjustment (due to benchmarking process).

Disclosure regarding the remuneration packages for the Executive Mayor and Section 57 Managers were as follows:



Table 19: Remuneration packages

Description	Mayor	Full-Time Councillor - Speaker	Full-Time Councillor / Chief whip	Executive Councillors	Councillors	Municipal Manager	Chief Financial Officer	Other Senior Managers
Salaries & Wages	372 960	298 368	279 720	153 847	111 886	741 507	587 208	581 959
Normal								
Overtime								
Contributions R'000								
Pensions								
Medical Aid								
Other	124 320	99 456	93 240	51 281	37 296			
Allowances								
Travel & Motor Car	15 984	15 984	15 984	9 972	9 972			
Housing Benefits & Allowance								
Other Benefits & Allowance								
TOTAL	481 696	388 236	364 884	201 747	149 176	741 507	527 300	527 300



3.1.7. Accredited Pension Funds

Greater Letaba Municipality has accredited pension funds where councillors and employees contributed. The pension funds provide for death and retirement benefits to both councillors and employees. The following are the pension funds accredited by the municipality:

- *Municipal Councillors Pension Fund.*
- *Municipal Gratuity Funds; and*
- *National Fund for Municipal Workers.*

Other benefits that are enjoyed by councillors and employees include medical aid. During the financial year, the following medical aids were accredited by the municipality.

- *SAMWUMED*
- *HOSMED*

The municipality has four directorates which account to the Municipal Manager as the head of administration as stipulated in Section 55 of the Municipal Systems Act, no 32 of 2000.

3.1.8. Service Level Agreements and Long Term Contracts

Long Term Contracts

- *Photocopier services – Xerox*
- *Security services – Jackcliff Security*
- *Internal Auditing Services - FAB&T Incorporated*
- *Lease of Land for network Arena – MTN*
- *Insurance Services – Alexander Forbes*
- *Meter Reading – KWRCS*

Service Level Agreements

- *Supply of Electricity - Eskom*
- *Supply and delivery of office equipments – Mmarorotho Trading*
- *Training of young professionals – DBSA*
- *Fixed assets verification and asset register – JANI System Solution*
- *Paving of Parking at Library – Washi Business Enterprise*
- *Erection of Toilets at Mokwakwaila taxi rank – Lekgope Trading*
- *Erection of Thatch umbrella at library – Mapitso trading*
- *Erection of guardroom and toilet at old dumping site - Elohim Raphar Trading*
- *Provision and erection of gate at Modjadjiskloof waterfall*
- *Recabling – XON*
- *Buidling of Relief houses- CBF Express*
- *Land Audit- Jaques Du Toit and Associates*
- *Upgrading of Manningburg bridge and stormwater channels - CBF Express*
- *Financial Management System – SEBATA Financial Management*



-
- *Funding and Implementation of electrification programme – Department of Energy*
 - *Management and Development of Queen Modjadji Lodge and Modjadjiskloof Resort – Limpopo Tourism and Parks*
 - *Establishment and Management of Libraries*

Chapter 4 Audited Financial Statements and Related Information Management





Chapter 4: Audited Financial Statements and Information Management

The financial statements of Greater Letaba Municipality were prepared in house and submitted on 31 August 2009 to the Auditor General and Provincial Treasury Limpopo as per requirements of Section 126 (1)(a) of the Municipal Finance Management Act. The Financial Statements were prepared in terms of IMFO as indicated in the AC Policies. Copy of the Audited financial statements is attached to this annual report for further perusal (Annexure A). There were some material amendments done on the Financial Statements which were submitted to the office of the Auditor General for the finalization of the Audit on or before 30 November 2010.

4.1. AUDITOR'S REPORT OF THE AUDITOR-GENERAL TO THE LIMPOPO PROVINCIAL LEGISLATURE AND THE COUNCIL ON GREATER LETABA MUNICIPALITY

4.1.1. REPORT ON THE FINANCIAL STATEMENTS

Introduction

1. I have audited the accompanying financial statements of the Greater Letaba Municipality, which comprise the statement of financial position as at 30 June 2010, and the statement of financial performance, statement of changes in net assets and cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory information, as set out on pages xx to xx

Accounting officer's responsibility for the financial statements

2. The accounting officer is responsible for the preparation and fair presentation of these financial statements in accordance with South African Standards of Generally Recognised Accounting Practice (SA standards of GRAP) and in the manner required by the Municipal Finance Management Act of South Africa, 2003 (Act No. 56 of 2003) (MFMA). This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.



Auditor-General's responsibility

3. As required by section 188 of the Constitution of South Africa, 1996 (Act No. 108 of 1996) and, section 4 of the Public Audit Act of South Africa, 2004 (Act No. 25 of 2004), my responsibility is to express an opinion on these financial statements based on my audit.
4. I conducted my audit in accordance with International Standards on Auditing and *General Notice 1570 of 2009* issued in *Government Gazette 32758 of 27 November 2009*. Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.
5. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Opinion

6. In my opinion, the financial statements present fairly, in all material respects, the financial position of the Greater Letaba Municipality for the year ended 30 June 2010 and its financial performance and its cash flows for the year then ended, in all material respects, in accordance with the South African Standards of Generally Recognised Accounting Practice (SA standards of GRAP) and in the manner required by the MFMA.

Emphasis of matter

I draw attention to the following matters below. My opinion is not modified in respect of these matters:



Significant uncertainties

7. With reference to note 36 to the financial statements, the municipality is the defendant in several contractual lawsuits. The municipality is opposing the claims of R 4.42 million and the ultimate outcome of the matters cannot presently be determined.

4.1.2. ADDITIONAL MATTERS

I draw attention to the following matter below. My opinion is not modified in respect of these matters:

Unaudited supplementary schedules.

8. The supplementary information set out on pages XX to XX does not form part of the financial statements and is presented as additional information. I have not audited these schedules and accordingly I do not express an opinion thereon

4.1.3. REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

9. As required by the PAA and in terms of *General Notice 1570 of 2009* issued in *Government Gazette 32758 of 27 November 2009*, I include below my findings on the report on predetermined objectives, compliance with the following key laws and regulations and financial management (internal control).

Predetermined objectives

10. The integrated development plan of the Greater Letaba Municipality did not include key performance indicators and performance targets determined in terms of its performance management system, as required by sections 26(i) and 41(1)(b) of the MSA and regulation 12 of the Municipal Planning and Performance Management Regulations, 2001.

Non-compliance with regulatory and reporting requirements

Existence and functioning of a performance audit committee

11. The municipality did not appoint and budget for a performance audit committee, nor was another audit committee utilised as the performance audit committee, as required by regulation 14(2) of the Municipal Planning and Performance Management Regulations, 2001.



Internal auditing of performance measurements

12. The municipality did not develop and implement mechanisms, systems and processes for auditing the results of performance measurement as part of its internal audit processes, as required in terms of section 45 of the Municipal System Act (MSA).

Usefulness of reported performance information

The following criteria were used to assess the usefulness of the planned and reported performance:

- Consistency: Has the municipality reported on its performance with regard to its objectives, indicators and targets in its approved [strategic plan/corporate plan/annual performance plan/integrated development plan], i.e. are the objectives, indicators and targets consistent between planning and reporting documents?
- Relevance: Is there a clear and logical link between the objectives, outcomes, outputs, indicators and performance targets?

The following audit findings relate to the above criteria:

Performance measurement

13. The municipality did not set Key Performance Indicators (KPIs), including input indicators, output indicators and outcome indicators, which are in line with development priorities and objectives as set out in the integrated development plan (IDP).

Compliance with laws and regulations

MFMA

The accounting officer and municipal officials did not adhere to his statutory responsibilities

14. Contrary to section 78(1), a senior manager or an official of the municipality exercising financial management responsibilities did not take reasonable steps within his/her areas of responsibility to ensure that all revenue due to the municipality was collected, action was not taken to recover long overdue debtors.

The financial statements were not prepared in accordance with applicable legislation.

15. Contrary to section 122(1) of the MFMA the municipality did not prepare financial statements that



fairly present its state of affairs as material misstatements were corrected during the audit.

Municipal System Act of South Africa, No 32 of 2000 (MSA)

16. Contrary to the requirements set out in section 46(1) (a) of MSA, the accounting officer did not ensure that the performance information report is prepared and submitted for audit purpose.

INTERNAL CONTROL

17. I considered internal control relevant to my audit of the financial statements and the report on predetermined objectives as well as compliance with the MFMA and MSA, but not for the purpose of expressing an opinion on the effectiveness of internal control.
18. The matters reported below are limited to the significant deficiencies regarding the basis for the findings on the report on predetermined objectives and the findings on compliance with laws and regulations.

- **Leadership**

- Oversight responsibility*

- Management neglect to ensure that IT policies and procedures were developed and approved

- Actions to mitigate risks*

- Inadequate security management controls to prevent unauthorised access to the operating systems that grant access to the application systems

- **Financial performance management**

- Quality reliable financial statements*

- The financial statements were subject to various material amendments resulting from the audit.

- Adequate systems*

- General information technology controls are not designed to maintain the integrity of the information systems and the security of the data.

Governance

- Risk identification*



The entity does not identify risks relating to the achievement of financial and performance reporting objectives.

Internal controls are not selected and developed to prevent and/or detect and correct material misstatements in financial reporting and reporting on predetermined objectives.

Fraud prevention

Segregation of duties to prevent fraudulent data and asset misappropriation is inadequate as there is no fraud prevention plan

Internal audit

Ongoing monitoring and supervision are not undertaken to enable an assessment of the effectiveness of internal control over performance reporting.

Audit committee

The audit committee did not review the adequacy, reliability and accuracy of the annual financial statements and the report on pre-determined objectives prior to submission to the Auditor-General

OTHER REPORTS

Investigations

Investigations completed during the financial year

- An investigation was conducted by the public protector on the awarding of tenders by the municipality to SGL engineering projects. The investigation was initiated based on the allegation of possible irregularities in awarding of tenders to SGL engineering projects by the Municipality. Public protector has found no evidence that SGL engineering has won tenders through improper influence due to friendships, comradeship, favouritism, nepotism, interference or any other impropriety.
- An investigation was conducted by the council on fruitless and wasteful expenditure incurred in the prior year and the results are awaiting council decision.

Auditor-General.



Polokwane

30 November 2010

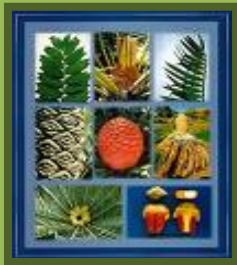


AUDITOR - GENERAL
SOUTH AFRICA

Auditing to build public confidence

REPORT BY THE AUDIT COMMITTEE

The audit committee report is pending.



Chapter 5: Functional Area Service Delivery Reporting





CHAPTER 5: FUNCTIONAL SERVICE DELIVERY

A short description of Municipal services provided and the performance highlights are provided as per department.

5.1. Performance Management System

This chapter outlines briefly how Greater Letaba Municipality managed its performance. Performance Management is a powerful tool that can be used to measure the performance of an organisation. It involves setting of desired strategic objectives, outcomes, indicators and targets, alignment of programmes, projects and processes directly to its individual components such section 57 managers as stipulated in the performance regulations of 2006.

In terms of Chapters 5 and 6 of the Municipal Systems Act, 2000 (Act No. 32 of 2000), local government is required to:

- *Develop a performance management system;*
- *Set targets, monitor and review performance, based on indicators linked to the Integrated Development Plan (IDP);*
- *Publish an annual report on performance for the councillors, staff, the public and other spheres of government;*
- *Incorporate and report on a set of general indicators prescribed nationally by the minister responsible for local government;*
- *Conduct an internal audit on performance before tabling the report;*
- *Have the annual performance report audited by the Auditor-General; and*
- *Involve the community in setting indicators and targets and reviewing municipal performance.*

Greater Letaba Municipality's performance management system aims at ensuring that all the departments within the municipality are working coherently to achieve optimum desired results. This is done by planning, reviewing, implementing monitoring, measuring and reporting on its activities.

The development of Greater Letaba's Performance management Framework was guided by different pieces of legislations which include amongst others the following:



- *Constitution of the Republic of South Africa, Chapter 7 of Act 108 (1996)*
- *White Paper on Local Government 1998*
- *Municipal Systems Act, 2000 (Act No. 32 of 2000)*
- *Municipal Finance Management Act, (Act No. 56 2003)*
- *Regulation 393 of 2009: Local Government Municipal Finance Management Act Municipal Budget and Reporting Regulation*
- *Municipal Performance Regulations for Municipal Managers and Managers directly accountable to the Municipal Manager (2006)*
- *Municipal Planning and Performance Management Regulations (2001)*
- *Batho Pele Principles*
- *Municipal Structures Act 1998 (ACT no 117 of 1998)*

The Greater Letaba Municipality has adopted a balance scorecard methodology which is a strategic performance management tool. The balance scorecard is used to keep track of the execution of activities by staff within their control and monitor the consequences arising from these actions. The balance scorecard creates a clear link of activities across all levels of municipality. The main objective of the balanced scorecard is to achieve synergy across the Municipality, maximise internal business processes efficiencies, and to maximise efficient allocation of financial and human resources. By using the balance scorecard Greater Letaba managed to come up with strategic objectives that were transformed into a strategic map which emphasises the municipality's main strategic intent.

Table 20: Balance Scorecard approach

Community Perspective	<i>The municipality checks if it is achieving the needs of the community</i>
Financial Perspective	<i>The municipality checks if it is delivering services in an economic, efficient and effective manner</i>
Internal Processes Perspective	<i>The municipality checks if its business processes are assisting in achieving its desired goals</i>
Learning and Growth Perspective	<i>The municipality checks if it has good skills and knowledge to achieve the needs of the community</i>

Organisational performance and employee performance are related to each other and this starts from the planning phase. At an organisational level the Service Delivery and Budget Implementation Plan (SDBIP) was developed for the purpose of monitoring the overall organisational performance. The Performance Agreement of section 57 managers are derived directly from the SDBIP. The SDBIP yields a set of indicators and targets which become an undertaking of the municipality to the community.

5.2. Performance Management Tools

This section outlines the performance management tools that Greater Letaba Municipality used to assess its performance.

5.2.1. Integrated Development Plan



Greater Letaba has developed an Integrated Development Plan which was adopted by council. The performance management system is designed to monitor and evaluate the progress made in the implementation of a municipality's IDP objectives, taking into account the timeframe of projects and budget. The IDP is the strategic document of the municipality that gives direction in terms of service delivery objectives. Performance objectives, indicators, outcomes and targets are derived from the IDP.

5.2.2. Performance Management Policy Framework

Greater Letaba Municipality has developed and adopted a Performance Management Framework that serves as a guiding document in the implementation of performance management system within the institution.

5.2.3. Service Delivery Implementation Plan

In terms of the Municipal Finance Management Act, Act No. 56 (2003) the municipality must develop the SDBIP taking into consideration the Integrated Development Plan and the Budget of the municipality. Greater Letaba developed the SDBIP which was approved by the Mayor. The SDBIP yields specific indicators and targets which are derived from the IDP. The SDBIP is a link between integrated development plan, performance management system and the budget. The SDBIP serves as one contract between administration, Council and community. It outlines the Council's objectives and outcomes to be undertaken by Council. Through the SDBIP Council commit itself to the community in terms of services to be rendered, while Administration commit to council in terms of services they will render to the community.

5.2.4. Performance Agreements and Performance Plans

The Local Government Municipal Performance Regulations for Municipal Managers and managers directly accountable to Municipal Managers (R805, 2006) indicate that Section 57 managers must be appointed in terms of a written employment contract and a separate performance agreement. Regulations R805 regulate employment contracts, performance agreements including performance plans and job descriptions of Municipal Managers and managers directly accountable to Municipal Managers. Greater Letaba Municipality developed performance agreement that were all signed.

The purposes of a performance management agreement are to:

- Specify objectives and targets defined and agreed with the employee and to communicate to the employee the employer's expectations of the employee's performance and accountabilities in alignment with the Integrated Development Plan, Service Delivery and Budget Implementation Plan (SDBIP) and the Budget of the municipality.
- Specify accountabilities as set out in a performance plan, which forms an annexure to the performance agreement.
- Specify and plan for competency gaps as set out in a personal development plan (PDP), which forms an annexure to the performance agreement (a PDP for addressing developmental gaps which have been identified during the previous financial year and must form part of the annual revised performance agreement).
- Monitor and measure performance against set targeted outputs.



- Use the performance agreement as the basis for assessing whether the employee has met the performance expectations applicable to his or her job.
- In the event of outstanding performance, to appropriately reward the employee depending on the availability of resources.
- Give effect to the employer's commitment to a performance-orientated relationship with its employee in attaining equitable and improved service delivery.

5.2.5. Performance Calculators

The 2001 Regulations Chapter 13 indicates that:

- (1) A municipality must, after consultation with the local community, develop and implement mechanisms, systems and processes for the monitoring, measurement and review of performance in respect of the key performance indicators and performance targets set by it
- (2) The mechanisms, systems and processes for monitoring in terms of sub regulation (1) must:
 - a) provide for reporting to the municipal council at least twice a year;
 - b) be designed in a manner that enables the municipality to detect early indications of under-performance; and
 - c) provide for corrective measures where under-performance has been identified.

Greater Letaba municipality has developed performance calculators that are used to monitor the performance of the institution and managers employed in terms of section 56. Monitoring is the key stage when implementing performance management system.

5.2.6. Reports

The Greater Letaba Municipality continuously produce reports giving feedback regarding the performance of the institution and the departments. The reports mainly focus on the priorities of the organisation, performance objectives, indicators, targets, measurements and analysis. The reports includes amongst others the following:

- **Monthly / Quarterly IDP and SDBIP reporting**

In terms of Section 1 of the MFMA, Act 56 of 2003 a municipality must develop a SDBIP with detailed projections for each month of the revenue to be collected, by source, as well as the operational and capital expenditure, by vote. The SDBIP must be reported on a quarterly basis. Greater Letaba did compiled monthly, quarterly IDP and SDBIP reports.

- **Mid-year budget and report**

The accounting officer is required to prepare and submit a midyear performance report, which must be submitted to the Mayor, Provincial and National Treasury (Section 72 of the MFMA). Greater Letaba manage to develop a Mid-Year Budget and Report

- **Performance report**

Section 46 of the Municipal Systems Act requires a municipality to prepare a performance report for each financial year. The reports must cover the following:



- *Performance of the municipality and of each external service provided during that financial year;*
- *Comparison of the performances referred to in the above paragraph with targets set for and performances in the previous financial year; and*
- *Steps and Interventions to be taken to improve on the performance*

Greater Letaba managed to compile performance reports that reflected how the municipality performed institutionally and departmentally.

- **Annual report**

Section 121 requires the municipality to prepare an annual report for each financial year. Greater Letaba has managed to compile an annual report.

- **Oversight report**

Section 129 requires the council of a municipality to consider the municipality's annual report. It further indicates that within two months from the date of tabling of the annual report, council must adopt an oversight report containing the council's comments. An oversight report for the municipality was compiled.

5.3. Assessment of Section 57 Managers

The 2006 regulations on Municipal Manager and Managers directly reporting to the Municipal Manager are very clear on how the assessment of section 57 managers should unfold. It identified four assessment per annum, namely:

Quarter	Panel formation
First Quarter (July to September) – Informal Assessment	No need to constitute a panel of assessors
Second Quarter (October to December) – Formal Assessment	<p>Panel can be constituted as follows:</p> <p>Assessment of Municipal Manager</p> <ul style="list-style-type: none"> • Mayor • Municipal Manager or Mayor from another municipality • EXCO Member • Ward Committee Member • Chairperson of Performance Audit Committee <p>Assessment of Directors</p> <ul style="list-style-type: none"> • Municipal Manager from another municipality • EXCO Member



	<ul style="list-style-type: none"> • Municipal Manager • Chairperson of Performance Audit Committee
Third Quarter (January to March) - Informal Assessment	No need to constitute a panel of assessors
Fourth Quarter (April to June) - Formal Assessment	<p>Panel can be constituted as follows:</p> <p>Assessment of Municipal Manager</p> <ul style="list-style-type: none"> • Mayor • Municipal Manager or Mayor from another municipality • EXCO Member • Ward Committee Member • Chairperson of Performance Audit Committee <p>Assessment of Directors</p> <ul style="list-style-type: none"> • Municipal Manager from another municipality • EXCO Member • Municipal Manager <p>Chairperson of Performance Audit Committee</p>

This section reflects the 2008/2009 performance highlights of Greater Letaba Municipality.

5.4. COUNCIL MATTERS

5.4.1. Overview

The portfolio committees' primary responsibility is to exercise oversight over the executive arm of the Municipality's governance structure, Section 79 portfolio committees monitor the delivery and outputs of the executive and may request department to account for the outputs of their functions. Although the Section 79 portfolio committees play an oversight role, they do not have any decision-making powers. These committees are responsible for submitting reports to Council as the Legislature.

5.4.2. Description of the Activity

The main key activities of the division are as follows:

- *Governance and Administration*
- *Finance*
- *Municipal Infrastructure*



- *Economic Development*
- *Land Management, Poverty and Housing*
- *Community Services*
- *Social Services*
- *Sports, Arts and Culture*
- *Public Safety.*

5.4.3. Analysis / Performance Highlights

- *26 of the 52 councillors are female.*
- *All councillors had undergone induction training.*
- *7 of the councillors had undergone other training provided by SALGA, LAGOLA or another recognised institution.*
- *124/ 124 ward committee members were trained according to skills audit.*
- *All Traditional Leaders were taking part in Council.*
- *The council is fully functional.*
- *All Council Resolutions were implemented within three months.*

5.5. OFFICE OF THE MUNICIPAL MANAGER.

5.5.1. Overview

The Office of the Municipal Manager is headed by the Accounting Officer of the institution who is appointed in terms of Municipal Systems Act. The following table reflects details of staff in this office.

Function	Number of staff in the Department	Current vacancies
Municipal Manager	6	0

The following table reflects the section or units that fall under Office of the Municipal Manager:

5.5.2. Description of Activity

The main key activities of the division are as follows:

- *Governance and Administration*
- *Finance*
- *Municipal Infrastructure*
- *Economic Development*
- *Land Management, Poverty and Housing*
- *Community Services*
- *Social Services*
- *Sports, Arts and Culture*



5.5.3. Units in the Office of the Municipal Manager

- *Internal Audit*
- *Risk Management*
- *Youth, Gender, Disability and HIV/AIDS*
- *Communication*

5.5.4. Strategic Objectives of the Municipal Manager

The above sections or units are strategically created for the following reasons:

- *Improve community well being and*
- *Promote good governance and organisational excellence*

5.5.5. The main strategic focus of the Municipal Manager.

It should be understood that the above sections are fairly new and they were only filled with warm bodies in the last quarter of the 2009/2010 financial year and the beginning of the 2010/2011 financial year. The main focus of the Municipal Manager's office was to fill the vacant posts and ensure that all the units start to be effective and efficient in order to achieve the above-mentioned strategic objectives (no vacant post under this office). In terms of performance management the Municipal Manager's scorecards reflects indicators and targets that are linked to the functions of the sections. The scorecard is also aligned to the Municipal Strategic Plan, IDP and SDBIP.

Communication

SERVICE	PRIORITIES 2009/2010	KEY SUCCESSES 2008/2009	KEY PROBLEMS & CHALLENGES
Communication	Utilise the municipality's website as an information, education and marketing portal	The website is active and updated on a weekly basis since SITA has given the municipality a code to be able to update.	
	Media queries	Responded to regularly and in time	Some of the stories are published without comments.
	Produce a newsletter	A 3 year contract has been awarded to print a quarterly newsletter.	
	Corporate identity and image promotion. Develop values for the municipality	Developed a brochure and increased no. of banners, printed new Councillors calendar & Mayoral photos. A service provider has been appointed to make a corporate DVD.	Establishing networks to sell the corporate image of the municipality.



	Undertake outreach programs	Outreach/ public participation on Municipal by-laws, budget and IDP, Valuation roll, Rates Act, etc	
	Advertising & Marketing	Adverts as per programs & activities. Marketing to various stakeholders home & abroad i.e. the Municipality presented business opportunities to Mozambican mayors	Inadequate funds to market the institution abroad.

The table below reflects how the Office of the Municipal Manager performed in implementing the SDBIP.



Office of the Municipal Manager												
Office of the Municipal Manager	Sep 09			Dec 09			Mar 10			Jun 10		
	KPI	PRJ	AVG	KPI	PRJ	AVG	KPI	PRJ	AVG	KPI	PRJ	AVG
KPA 1: Municipal Transformation and Organisational Development	3.00	1.50	1.92	3.22	3.00	3.06	3.14	2.50	2.78	3.09	3.91	3.39
Address community needs through developmental spatial and integrated planning	3.00	2.00	2.50	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.80	3.40
Functionality of the Performance Management System	3.00	2.00	2.50	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.80	3.40
Develop a high performance culture for a changed, diverse, efficient and effective local government	3.00	1.00	1.67	3.67	3.00	3.22	3.67	3.00	3.22	3.34	3.48	3.42
OHS										3.00		3.00
Management	3.00		3.00	3.67		3.67	3.67		3.67	3.67		3.67
Organisational Design and Human Resource Capacity		1.00	1.00		3.00	3.00		3.00	3.00		4.45	4.45
Employment Equity		1.00	1.00		3.00	3.00		3.00	3.00		3.00	3.00
Labour Relations											3.00	3.00
Attract and retain the best human capital to become employer of choice	3.00	2.00	2.50	3.00		3.00	2.75	1.00	1.88	3.00		3.00
Employee Performance Management	3.00	2.00	2.50	3.00		3.00	2.75	1.00	1.88	3.00		3.00
Develop and build skilled and knowledgeable workforce		1.00	1.00		3.00	3.00		3.00	3.00	3.00	4.45	3.73
Traditional Leaders										3.00		3.00
Skills Development		1.00	1.00		3.00	3.00		3.00	3.00		4.45	4.45
KPA 4: Financial Viability	2.58	1.00	2.05	2.54	3.00	2.77	2.00	2.00	2.00	3.00	3.73	3.36
Increase financial viability through increased revenue and efficient budget management	2.58	1.00	2.05	2.54	3.00	2.77	2.00	2.00	2.00	3.00	3.73	3.36
Budget and Expenditure Management	2.15		2.15	2.07		2.07	1.00		1.00	3.00		3.00
Asset Management	3.00		3.00	3.00		3.00	3.00		3.00	3.00		3.00



Office of the Municipal Manager												
Office of the Municipal Manager	Sep 09			Dec 09			Mar 10			Jun 10		
Supply chain management		1.00	1.00		3.00	3.00		3.00	3.00		3.00	3.00
Implementation of financial systems, policies, controls and regulations					3.00	3.00		1.00	1.00		4.45	4.45
KPA 5: Good Governance and Public Participation	3.00	2.50	2.84	3.20	3.00	3.20	3.40	2.40	2.88	3.17	3.43	3.44
Develop effective and sustainable stakeholder relations	3.00	3.00	3.00	3.40		3.40	3.80	1.80	2.75	3.33	3.00	3.19
IGR	3.00		3.00	3.00		3.00	3.00		3.00	4.33		4.33
Traditional Leaders	3.00		3.00	3.00		3.00	5.00		5.00	3.00		3.00
Communication and customer care	3.00		3.00	3.00		3.00	3.00	3.00	3.00	3.00	3.00	3.00
Youth Development	3.00	3.00	3.00	3.00		3.00	5.00	1.00	3.00	3.00	3.00	3.00
Imbizo's				5.00		5.00	3.00		3.00			
Gender Development		3.00	3.00					1.00	1.00		3.00	3.00
Disabilities Development		3.00	3.00					1.00	1.00		3.00	3.00
Intergovernmental Relations (District IGR structures) (Protocol - MM and PA)		3.00	3.00					3.00	3.00		3.00	3.00
Develop and improve systems, processes, procedures and policies by practicing sound governance	3.00	2.00	2.67	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.86	3.68
Auditing		3.00	3.00	3.00	3.00	3.00	3.00		3.00	3.00	3.00	3.00
Legal Services	3.00	1.00	2.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	4.45	3.73
Fraud and Anti-Corruption	3.00		3.00	3.00		3.00	3.00	3.00	3.00	3.00	3.00	3.00
By-laws and Policies					3.00	3.00		3.00	3.00		5.00	5.00
KPA 2: Basic Service Delivery	3.00		3.00	3.00	3.00	3.00	3.00	3.00	3.00	2.09	3.00	2.55
Develop effective and sustainable stakeholder relations	3.00		3.00	3.00	3.00	3.00	3.00	3.00	3.00	2.09	3.00	2.55
HIV/ AIDS	3.00		3.00	3.00	3.00	3.00	3.00	3.00	3.00	2.09	3.00	2.55
KPA 3: Local Economic Development					3.00	3.00		1.00	1.00			



Office of the Municipal Manager											
Office of the Municipal Manager	Sep 09			Dec 09			Mar 10		Jun 10		
Create community beneficiation and empowerment opportunities through networking for increased employment and poverty alleviation					3.00	3.00	1.00	1.00			
Job Creation (LED Strategy)					3.00	3.00	1.00	1.00			



5.5.6. Analysis of the Performance Scores

The best area of performance at the end of the year was in KPA 5: Good Governance and Public Participation where a score of 3.44 (115%) was achieved due to the performance of the By-laws and Policies and IGR programmes. All Key Performance Areas (KPAs) with the exception of KPA 3: Local Economic Development, have shown an increase in performance over the scores achieved at mid-year. The highest programme performance was seen by By-laws and Policies with a score of 5.00 (167%) and the lowest performance was from HIV/Aids with a score of 2.55 (85%).

At the end of the year, the Office of the Municipal Manager achieved target in 24/25 (96%) of the programmes which were applicable for reporting in the fourth quarter. Overall 85.72% (24/28) of the total programmes achieved target at the end of the year. Only 3.57% (1/28) of the programmes were under target. A total of 10.71% (3/28) of the programmes were not applicable for reporting in the fourth quarter. The following Key Performance Indicators (KPIs) and activities contributed to this performance:





5.6. **BUDGET AND TREASURY**

5.6.1. Overview

Function	Number of staff in the Department	Current vacancies
Budget and Treasury	20	3

5.6.2. Units in Budget and Treasury Office

The Budget and Treasury Department has the following sections:

- *Revenue*
- *Billing*
- *Budget and Reporting*
- *Expenditure*
- *Asset and Supply Chain Management*

5.6.3. Strategic Objectives of the Budget and Treasury Office

The above sections or units are strategically created for the following reasons:

- *Become financially viable*
- *Improve community well being and*
- *Promote good governance and organisational excellence*

5.6.4. The main strategic focus.

The budget and treasury office will mainly focus on implementation of the Revenue Enhancement Strategy since the department has not done well in terms of revenue collection for the financial year 2009/2010. The main reasons for poor revenue collection are as follows:

- *Lack of water in proclaimed areas such as Ka-Gapane.*
- *In Ga-Kgapane, special meters to regulate the supply of water were only delivered in July 2010 for the full implementation of Credit Control Policy.*
- *Collection in Modjadjiskloof is very slow due to the fact that the municipality do not have a person dedicated to the cutting off of electricity to non paying customers.*

5.6.5. Analysis of Functions

a. Revenue Management



SERVICE	PRIORITIES 2008/2009	KEY SUCCESSES 2008/2009	KEY PROBLEMS & CHALLENGES
REVENUE MANAGEMENT	Enhance revenue collection	Implementation of the Revenue Enhancement Strategy	Implementation of the Credit Control Policy due to lack of Human capacity in the Finance Department.
		Approval by council & gazetting of Credit Control & Debt Collection By-Laws.	A culture of non-payment by Ga-Kgapane residents.
RATES & VALUATIONS	Valuation data cleanup of current valuation information	Valuations have been done and stakeholders are happy about them.	Compilation of Rates Policy & Valuation Roll that is acceptable to all rate payers.

b. Asset Management

SERVICE	PRIORITIES 2008/2009	KEY SUCCESSES 2008/2009	KEY PROBLEMS & CHALLENGES
ASSET MANAGEMENT	Municipal Properties: Identify and verify municipal properties	Only 14 municipal properties were identified & verified (community halls, Municipal Buildings, Caravan Park & Rotaba Cottages).	Update & review the asset register to comply with the requirements of GRAP/GAMAP. Lack of enough funds to appoint Service Providers to assist with the compilation of Asset Register.
(IMMOVABLE ASSETS)	Assign values to immovable properties	Values were assigned to the immovable properties	
	Comply with GRAP format	A service provider is in place to assist with GRAP	
MOVABLE ASSETS	Quantify movable assets	Movable assets were verified and bar-coded	Lack of enough funds to appoint Service Providers to assist with the compilation of Asset Register.
	Bar-code movable assets	1 093 were bar coded.	None
	Stock take of movable	Stock take of movable assets was done with help from a service	Due to lack of information regarding



SERVICE	PRIORITIES 2008/2009	KEY SUCCESSES 2008/2009	KEY PROBLEMS & CHALLENGES
	assets	provider.	the cost price & date of purchase, many assets were valued at R1.00 in the asset register
	Capture & update movable assets acquisition & disposal	Disposal was not done & the capturing & update of the assets was not done as & when it occurred.	The municipality experienced an unauthorised movement of assets done by employees. Thorough work shopping need to be conducted.
	Infrastructural assets	An official was appointed to deal with assets	
BUDGET AND TREASURY	Establish Budget & Treasury Office	Budget & Treasury Office has been fully established. Only three clerical posts are still outstanding & their work to be assigned to finance Interns.	
	Prepare 3 year MTREF operating and capital budget according to the MFMA and National Treasury guidelines	Budget Prepared & approved by council	
	Cater for indigents in free basic services	The post for Indigent support officer has been advertised	Appoint of the Indigent support officer is delaying
	Align the MTREF budget to IDP	MTREF Budget caters for indigents. All free basic services are offered by the municipality, i.e. Free Basic Water, Electricity, Refuse Removal, Sewerage & Assessment Rates	
	Submit monthly, quarterly & midyear financial reports that comply with the MFMA to council, National & Provincial Government & other stakeholders	All reports were submitted to both Provincial & National Treasuries. The reports were also submitted to Mayor, Finance Committee and as required by Legislation	Failure to hold Finance Committee & Council meetings to discuss reports before submission to council



SERVICE	PRIORITIES 2008/2009	KEY SUCCESSES 2008/2009	KEY PROBLEMS & CHALLENGES
	Ensure community participation in the budget process by conducting public hearings	Budget Community participation processes were successfully held in all identified urban & rural areas.	Lack of understanding by the participants in terms of the objectives of the budget community participation process which are confused with the service delivery problems that are dealt with in the Municipal Imbizo's.



5.6.6. Quarterly Information on Grants

Grant Details	Amount Received & Spent each quarter									
Grant Name, purpose/project	1 July 2009 to 30 Sep 2009		1 Oct 2009 to 31 Dec 2009		1 Jan 2010 to 31 March 2010		1 Apr 2010 to 30 June 2010		Total Rand	
	Rec	Exp	Rec	Exp	Rec	Exp	Rec	Exp	Rec	Exp
MSIG	735 000	15 885	0	402 776	0	573 309	0	50 896	735 000	1 042 866
FMG	750 000				0	50 000	0	211 348	750 000	261 348
MIG	9 200 000	9 949 179	5 599 000	6 575 448	0	0	25 252 000	27 434 999	40 051 000	43 959 626
EQUITABLE SHARES	32 903 124	32 903 124	25 406 428	25 406 428	23 412 154	23 412 154	0	0	81 721 706	81 721 706
PUBLIC WORKS	0	0	77 000	77 000	1 155 800	1 155 800	0	0	1 232 800	1 232 800



5.6.7. Supply Chain Management Implementation

The table below reflects a list of projects or equipments for procurement in the financial year 2009/2010

DEPARTMENT	DESCRIPTION	AMOUNT	ACTUALS	TARGET DATE	COMMENTS
Executive & Council					
Mayor's Office	Video Camera	R 7 500	R7 000		Done
	Podium	R 3 000	R4 800		Done
	Youth Empowerment Projects	R600 000	0		Advertised
Municipal Manager	Photo Copier	R150 000	0		Delivered
	Fax Machine	R2 000	0		
	Office Furniture	R554 103	R554 103		Done
	Computers	R330 429	R330 429		Done
Human Resources	Switchboard	R200 000	R182 043		Completed
Information	Networking sub	R1 000 000	R119 578		Service provider appointed



DEPARTMENT	DESCRIPTION	AMOUNT	ACTUALS	TARGET DATE	COMMENTS
Technology	offices				
	Computers	R200 000	R330 429		Done
	Server	R368 892	R338 959		Done
	Server Room	R200 000	0		In progress
	DRP	R300 000			
	Software	R200 000	0	October 2009	In progress
	Server Rack	R350 000			
	Server Flooring	R60 000			
	Tool Box	R 2 000	R650	August 2009	Done
Property Services					
	Generator	R300 000	0	November 2009	Done
	Closed Circuit Cameras	R60 000	R25 183	November 2009	Done
	Stand by cottages	R250 000			
	Completion of new	R847 526	R847 526		



DEPARTMENT	DESCRIPTION	AMOUNT	ACTUALS	TARGET DATE	COMMENTS
	building				
	Municipal Chamber	R632 474	R632 474		
	Closed Circuit Cameras	R60 000			
Planning & Development	Plotter	R125 000	0		
Community Halls & Other Facilities	New Comm.Hall – Modjadjiskloof	R500 000	0	To start December 2009	Consulting
	New Comm.Hall – Rotterdam	R500 000	0	To start January 2010	Consulting
Cemeteries & Crematoriums	Cemetery Layout & Fencing – Senwamokgope	R500 000	0	February 2009	Problems with the identification of land
	Cemetery Layout & Fencing – Kgapanne	R500 000	0	February 2009	Problems with the identification of land



DEPARTMENT	DESCRIPTION	AMOUNT	ACTUALS	TARGET DATE	COMMENTS
Refuse Removal	Fencing of landfill site	R65 265	R65 265	August 2009	Done
	Top Reeve System	R95 000	0	August 2009	Done
Storm Water	Ga-Kgapane Storm Water	R130 000			Done thru the street Paving Phase2
	Modjadjiskloof Channels	R200 000	R98 067	Done	
Roads	Mechanical Broom	R75 000	R68 000	Done	
	Low Level Bridges	R300 000			
	Modjadjiskloof	R3 000 000			
Street Lighting	Kgapane Streetlighting 2km	R650 000	R562 927.35	WIP	



DEPARTMENT	DESCRIPTION	AMOUNT	ACTUALS	TARGET DATE	COMMENTS
	Sekgosese College	R225 000	R260 885.98	WIP	
	Modjajdiskloof – Mokgoba Village 2.5Km	R159 664			
	Highmast Light Ext.7	R159 664			
	Sekgosese College	R300 000	R260 885.98	WIP	
	Bodupe – Mamphakhati	R300 000	R260 885.98	WIP	
	Maphalle 2km	R319 329	0		
	Phaphadi Highmast	R300 000			
	Headkraal Turnoff Street light	R600 000	R663 607.68	WIP	
	Lebaka Apollo Light	R300 000	R260 885.98	WIP	



DEPARTMENT	DESCRIPTION	AMOUNT	ACTUALS	TARGET DATE	COMMENTS
Sports & Recreation	Swimming Pool	R70 000	R65 154	Done	
	Upgrading of Tennis court	R200 000	R238 752	Done	
	Access streets – Caravan Park	R500 000	0	August 2009	Specifications from the Tourism Board are different from the ones that were drawn already, so there is a need to change them to the standards set by the Tourism Board.
	Caravan Park	R635 337			
	Brush Cutters	R8 700			
	Safety Equipment for Swimming Pool	R15 269	R15 269	Done	
Vehicle Licensing & Testing	Dragger Machine (Alcohol Tester)	R130 000	R120 245	Done	Done
Electricity Distribution	NER Compliance	R1 000 000	R199 726	February 2010	



DEPARTMENT	DESCRIPTION	AMOUNT	ACTUALS	TARGET DATE	COMMENTS
Workshop	Machines	R50 000	0	Done	
CONTRIBUTIONS FROM MIG			R17 675 869		
Roads	Upgrading of 2km – Thakgalane	R2 928 877		Completed	
	Upgrading of 2km – Ivory Route	R3 057 988		92% Complete (WIP)	Behind Schedule
	Upgrading of 1.5km – Kuranta	R2 745 614		90%	Behind Schedule but time extension was given until end July 2010
	Upgrading of 1.5km – Sefofotse	R2 570 175		Complete	
	Upgrading of 2km - Mokgoba	R2 510 695		Complete	
	Upgrading of 2km - Rapitsi	R5 132 873		95% Complete (WIP)	Behind Schedule due to additional 300 meters.
	Upgrading of 3km – Modjadji Valley	R6 115 977		Complete	



DEPARTMENT	DESCRIPTION	AMOUNT	ACTUALS	TARGET DATE	COMMENTS
	Upgrading of 1km - Sekgopo	R1 743 297		Complete	
	Upgrading of 2km – Mamaila Mphotwane	R3 334 249		98% Complete (WIP)	Behind Schedule but time extension was given until end July 2010
	Upgrading of Malematja road	R5 132 873		Complete	



5.6.8. Income For The Year Up To June 2010

Actual as Per Revenue Source

Source	Budget	Amount	Percentage
Assessment Rates	R 4 867 060	R5 616 346	115.40%
Equitable Shares	R82 637 279	R82 637 706	100.00%
Water	R 4 786 147	R4 910 059	102.59%
Electricity	R 8 016 743	R7 139 094	89.05%
Refuse Removal	R 2 551 538	R2 761 990	108.24%
Sewerage	R 1 284 637	R1 195 106	93.03%
Water Subsidy (Mopani)	R11 282 051	R11 282 051	100.00%
Licensing & Fines	R 3 519 225	R 4 073 006	115.74%
Interest from Outstanding Debtors	R 1 668 603	R3 111 236	186.46%
Interest from External Investment	R 654 000	R0	0
Other Income		R2 606 916	

Total Income Excluding Conditional Grants = R125 333 510

5.6.9. INCOME FROM CONDITIONAL GRANTS

5.6.9.1. Municipal Infrastructure Grant (MIG)

In terms of the municipal financial year 2009/2010

Budget	R35 272 618
To date Received	R40 051 000
Percentage	113.55%
In terms of Municipal Financial year 95.69% Expenditure	

In terms of the national financial year 2009/2010



Budget	R23 599 137
Actual	R23 599 137
Percentage	100%

5.6.9.2. Municipal Systems Improvement Grant (MSIG)

Accumulative figures from 2005/2006 to 2009/2010

Budget	R3 672 000
To date transferred	R3 672 000
To date expenditure	R3 314 279
Percentage	90.26%

5.6.9.3. GRAP/ GAMAP

- Conversion is still ongoing. Service provider on site and the project is 98% complete.

5.6.9.4. Infrastructure Electricity

In terms of the Municipal Financial Year

Budget	R13 453 000
To date Transferred	R4 453 400
To date expenditure	R14 431 538
Percentage	324.06%

DME is still to transfer an amount of R9 000 000 which is outstanding and we have already



5.6.9.5. Financial Management Grant (FMG)

Accumulative figures from 2005/2006 to 2009/2010

Budget	R2 750 000
To date transferred	R2 750 000
To date expenditure	R2 031 880
Percentage	73.89%
Unspent Amount	R718 120

- An amount of R328 320 has been committed for the registration of the interns for the MFMP course.

5.6.10. Bank Balances as at 30 June 2010

Main Account	R12 723 644
Traffic	R23 719 595
Housing	R332 437

Total = R36 775 676

- 17 of the 30 Disaster houses are complete. Local Government and Housing still have to approve the list of beneficiaries for the 13 houses that are left.
- The actual balance on the Housing Account is R143 437. An amount of R180 000 has already been used from the Main account for the payment of contractors and a transfer was not done as at the 30th June 2010.

5.6.11. Investments

The municipality has got investments in the following institutions:

- Momentum
- Old Mutual
- NedGroup
- ABSA

The value of the investments as at 30 June 2009 amount to **R7 568 362** and are held as security on the DBSA loan.



5.6.12. Expenditure

5.6.12.1. Expenditure per Vote (Section 71 of MFMA)

Vote No.	Description	Department	Budget	Actual	Percentage
014	Library	Comm.Services	R1 344 184	R702 019	52.23%
Admin Cost & Rental of Offices					
018	Disaster Management Comm.Services		R810 768	R448 906	55.37%
Admin Cost & Rental of Offices					
NO expenditure for all other projects budgeted for (Public Safety etc.)					
020	Taxi Rank	Comm.Services	R94 959	R84 308	88.78%
022	Planning & Development	EDP	R6 591 788	R3 718 775	56.42%
R1 000 000 budgeted for land use management, R250 000 for GIS upgrading, R100 000 for Agricultural & Agro processing and R500 000 for Maintenance of Buildings were not utilised.					
028	Vehicle Licensing & Testing	Comm.Services	R6 060 302	R4 368 287	72.08%
Admin Cost and also appointment of staff was not done					
029	Roads	Tech.Services	R48 748 950	R45 795 486	93.94%
Admin Cost and Rental of Offices					
031	Storm Water	Tech Services	R340 000	R112 265	33.02%
The Ga-kgapane storm water channels were incorporated in to the scope of work for the second phase paving projects.					
032	Community Halls & Other Facilities	Comm.Services	R1 568 000	R645 205	41.15%



Vote No.	Description	Department	Budget	Actual	Percentage
The Modjadjiskloof and Rotterdam community halls were not done due to the issue of the availability of land.					
033	Housing	EDP	R414 083	R308 587	74.52%
Wage curve					
034	Sports & Recreation	Comm.Services	R5 395 670	R3 737 104	69.26%
Budget for R100 000 for the maintenance of buildings not utilised. Admin cost and Rental of office.					
036	Public Toilets	Comm.Services	R598 852	R410 741	68.59%
Admin Cost					
038	Cemetries & Crematoriums	Comm.Services	R1 203 840	R118 607	9.85%
Senwamokgope & Ga-Kgapane cemeteries not done due to the unavailability of land.					
039	Finance & Admin – IT	Corps	R3 128 366	R475 864	15.21%
The capital projects that were budgeted for are not done amounting to R2 462 267.					
040	Executive & Council	Corps	R11 530 167	R15 028 715	130.34%
Wrong allocation for the rental of equipment amounting to R725 179					
041	Finance & Admin – Other	Corps / Finance	R5 564 004	R4 349 140	78.17%
An amount of R300 000 budgeted for WCA was not paid.					
042	Refuse Removal	Comm.Services	R3 274 041	R2 456 950	75.04%
Admin cost					
043	Sewerage	Tech.Services	R1 027 491	R654 944	63.74%
Admin cost					
046	Finance & Admin – HR	Corps	R2 111 421	R2 195 579	103.99%



Vote No.	Description	Department	Budget	Actual	Percentage
048	Municipal Manager's Office	Executive & council	R5 210 693	R2 302 096	44.18%
Admin Cost, Internal Relations and Advertising					
050	Finance & Admin – Finance	Finance	R12 165 066	R9 343 221	76.80%
Admin cost and rental of office.					
052	Street Lighting	Tech.Services	R3 323 934	R831 692	25.02%
Contractors were appointed late for the reception of street lights and high mast lights but a commitment has already been done.					
054	Finance & Admin – Prop Services	Tech.Services	R5 785 821	R4 757 122	82.22%
Admin cost. Maintenance of buildings also not done.					
058	Workshop	Tech.Services	R1 134 606	R782 849	69.00%
Admin cost and rental of offices.					
062	Water Storage	Tech.Services	0	0	0
071	Electricity Distribution	Tech.Services	R25 560 812	R22 593 802	88.39%
Admin cost & Rental of offices. NER Compliance budget also not fully utilised.					
073	Water Distribution	Tech.Services	R11 235 387	R7 164 788	63.77%
Admin cost and rental of offices. An amount of R2 500 000 was budgeted for FBW and only R428 158 has been utilised.					



5.6.12.2. Total Expenditure To Date

Capital Expenditure

Budget	R53 377 910
Expenditure to Date	R43 315 021
Percentage	81.15%

Reasons for under performance on Capital Expenditure

- Street paving projects incomplete: **Kuranta = R55 066.51, Mamaila = R214 045.33, Ivory Route = R964 970.65 and Rapitsi = R1 356 850.00.**
- Cemeteries for both Senwamokgope and Ga-Kgapane not done due to the unavailability of suitable land.
- Community Halls for both Rotterdam and Modjadjiskloof also not done due to unavailability of land.

5.6.12.3. Major Capital Expenditure

	Budget	Actual
Roads	R38 647 618	R38 453 241
Street Lightning	R 3 088 657	R582 541

- Appointment of contractors for the street lights and high mast lights has been done at an amount of **R2 270 078.93** and the work is in progress.

5.6.12.4. Operating Expenditure

Budget	R105 322 040
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Expenditure to Date	R 128 029 816
Percentage	121.56%

Total Average for All Expenditure = 107.97%

5.6.12.5. Salaries Section

Expenditure on staff benefits (Section 66 of MFMA)

	Budget	Actual	%
Salaries	R20 952 248	R 19 912 325	95.04%
Housing Subsidy	R 381 984	R 311 962	81.67%
Uniform	R 45 200	R 43 920	97.17%
Standby Allowance	R 118 012	R114 731	97.22%
Group Insurance	R 127 139	R 57 461	45.20%
Industrial Council	R 20 936	R 7 995	38.19%
Medical Aid Fund	R 649 619	R 671 148	103.31%
Overtime	R 2 860 760	R 2 529 095	88.41%
Pension Fund	R 3 441 659	R 3 105 000	90.22%
Leave Redemption	R 818 361	R 32 753	4.00%
Leave Bonus	R 1 999 789	R 782 321	39.12%
Vehicle Allowance	R 967 000	R 546 076	56.47%
TOTAL SALARIES & ALLOWANCE	R32 382 707	R 28 114 786	86.82%

The remaining 13% was meant for the wage curve payment which did not materialise.



5.6.12.6. Overtime Per Department

Department	Budget	Actual	Percentage
Library	R 12 500	R14 273	114.18%
This was due to the Assistant Librarian doing work in other departments but it has since been stopped. The overtime was accumulated up until February.			
Disaster Management	R 52 134	R 41 708	80.00%
Taxi Rank	R 0	R 0	0
Planning & Development	R 46 000	R 51 322	111.57%
Vehicle Licensing & Testing	R405 758	R 312 716	77.07%
Roads	R370 194	R 324 246	87.59%
Housing	R 0	R 0	0
Sports & Recreation	R308 000	R 343 006	111.37%
Due to shortage of staff			
Public Toilets	R 40 084	R 46 128	115.08%
Public toilets are open on Saturdays and there is also a lack of staff.			
Cemeteries & Crematoriums	R 0	R 0	0
IT	R 3 000	R 3 980	132.67%
Under Budgeting			
Executive & council	R 99 600	R 56 557	56.78%
Refuse Removal	R108 000	R 103 617	95.94%
Sewerage	R144 000	R 128 403	89.17%



Department	Budget	Actual	Percentage
HR	R 12 000	R 8 054	67.12%
Municipal Manager's Office	R 47 624	R 48 385	101.60%
Finance	R164 498	R 142 497	86.63%
Property Services	R147 200	R 135 444	92.01%
Workshop	R 89 500	R 84 560	94.48%
Electricity	R360 506	R 276 583	76.72%
Water	R450 162	R 407 617	90.55%
TOTAL	R2 860 760	R 2 529 095	88.41%

5.6.12.7. Long Term Loans

An agreement for the repayment of the loan has been drawn. The municipality has to make 4 equal instalments of **R540 640** quarterly for 15 years. The balance as at 30 June 2010 is **R11 103 444.65** for the DBSA loan.

5.6.12.8. Monthly Drawings from the Bank

Month	Amount
July	R 5 567 437
August	R10 277 303
September	R11 654 236
October	R11 932 241
November	R13 486 010
December	R16 091 698
January	R 9 511 131
February	R 9 022 757
March	R 15 612 147
April	R 12 719 544
May	R14 123 393



June	R18 059 450
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Total Withdrawals for the year 2009/2010 = R148 057 347

5.6.13. Debtors Age Analysis

Total Billing for the year 2009/2010 = **R25 089 075**

Total Payments Received for the year 2009/2010 = **R14 247 230**

Total Outstanding Debt for the year 2009/2010 = **R10 841 845**

5.6.14. Interventions:

- Letters of demand have been issued to the Ga-Kgapane Businesses.
- KWCRS has already disconnected water at some of the business in Ga-Kgapane that were not paying.
- Water meters have been cleaned so that accurate readings can be obtained and that will lead to less account disputes.

5.6.15. Problems

- Collection in Modjadjiskloof is very slow due to the fact that we don't have a person dedicated to the cutting off of electricity to non paying customers.
- In Ga-Kgapane, special meters to regulate the supply of water were only delivered in July 2010 for the full implementation of Credit Control Policy.

5.6.16. Recommendations

- Door to door visits by Mayor, Councillors and Officials to get individual problems.
- Appointment of a debtor collector for Extension people who bought stands but not fully settled.
- KWCRS to conduct and provide a report with recommendations in terms water supply in the various sections of Ga-Kgapane

5.6.17. Outstanding debts by Departments

The total debts owed by the departments amount to R4,537,534 with Public works been the most contributor.



A meeting was held during December 2009 between Public Works, the Department of Local Government & Housing, the municipality and KWCRS to deal with this matter because Public Works is claiming that some of the properties belong to the DLGH.

Public Works has since identified their properties in the province and the once that belongs to Public Works Nationally and promised to make payment.



Detail	0 - 30 Days	31 - 60 Days	61 - 90 Days	91 - 120 Days	121 - 150 Days	151 - 180 Days	Total -
Debtors Age Analysis By Income Source							
Water Tariffs	305,706	239,164	264,575	263,397	240,541	6,159,957	7,473,340
Electricity Tariffs	323,750	207,253	168,431	208,306	184,941	2,769,882	3,862,563
Rates (Property Rates)	596,126	504,405	520,603	523,267	502,583	8,660,244	11,307,228
Sewerage / Sanitation Tariffs	17,076	114,907	112,916	109,855	106,972	4,087,514	4,549,240
Refuse Removal Tariffs	78,083	261,240	243,975	231,700	221,864	8,243,490	9,280,352
Housing (Rental Income)					0	0	0
RSC Levies	0	0	0	0	0	0	0
Other	332,314	40,553	94,415	121,300	123,723	15,010,747	15,723,052
Total By Income Source	1,653,055	1,367,522	1,404,915	1,457,825	1,380,624	44,931,834	52,195,775
Debtors Age Analysis By							



Customer Group							
Government	274,593	270,179	278,601	265,283	258,336	3,190,542	4,537,534
Business	351,633	163,537	138,823	100,618	80,338	830,580	1,665,529
Households	1,026,829	933,806	987,491	1,091,924	1,041,950	40,910,712	45,992,712
Other							0
Total By Customer Group	1,653,055	1,367,522	1,404,915	1,457,825	1,380,624	44,931,834	52,195,775



5.6.18. Free Basic Electricity

Approved Beneficiaries for Free Basic Electricity by Eskom.

WARDS	Configure No.	Submitted App.
1	2	109
2	0	0
3 & 4	182	280
5	245	406
6	89	146
7	119	119
8	0	0
9 & 10	523	523
11	477	618
12	45	94
13	57	262
14	130	130
15	357	384
16	0	49
17	547	547
18	34	34
19	321	321
20	426	507
21	90	245
22	405	502
23	76	76



24	367	516
25	113	433
26	197	51

Ward 8 = 221 (Own Licensed Area)

Budget = R1 980 000

Actual Expenditure to Date = R1 184 396

On average, the monthly account for Free Basic Electricity amounts to R91 000.00

We do not have reliable statistics for all the individuals that receive Free Basic Water. We rely on the Indigent Register. (27 324: Borehole & Water tanker truck deliveries)

168 Indigents for both Ga-Kgapane & Senwamokgope, receiving the following:

- Free Basic Sewerage (total monthly charge)
- Free Basic Water (6kl)
- Free Basic refuse (total monthly charge)

After the implementation of the Municipal Property Act, their properties had rebates that allowed them not to be charged the rates at all. (zero rate due to rebates)



Finance												
Finance	KPI	PRJ	AVG	KPI	PRJ	AVG	KPI	PRJ	AVG	KPI	PRJ	AVG
	Sep 09			Dec 09			Mar 10			Jun 10		
Chief Financial Officer			1.92			1.94			2.81			4.08
KPA 1: Municipal Transformation and Organisational Development	1.50	2.15	1.80	2.00	1.73	1.77	2.69	2.63	2.95	3.71	4.45	3.87
Address community needs through developmental spatial and integrated planning	2.00	3.00	2.50	2.50	2.45	2.37	3.50	2.28	3.32	2.88	4.45	3.24
Integrated Development Planning	3.00		3.00	2.00		2.00	4.00		4.00	2.75		2.75
Functionality of the Performance Management System	1.00	3.00	2.00	3.00	2.45	2.73	3.00	2.28	2.64	3.00	4.45	3.73
Develop a high performance culture for a changed, diverse, efficient and effective local government	1.00	1.30	1.10	1.50	1.00	1.17	1.88	2.60	2.52	4.53	4.45	4.49
OHS	1.00		1.00	1.00		1.00						
Management	1.00	1.60	1.30	2.00	1.00	1.50	1.88	2.20	2.04	4.53	4.45	4.49
Organisational Design and Human Resource Capacity		1.00	1.00		1.00	1.00		3.00	3.00			
Attract and retain the best human capital to become employer of choice								3.00	3.00			
Employee Performance Management								3.00	3.00			
KPA 2: Basic Service Delivery	2.00	1.00	1.50	2.00	3.00	2.50	2.40	3.00	2.85	2.31	5.00	4.33
Improve access to sustainable and affordable services	2.00		2.00	2.00	3.00	2.50	2.40	3.00	2.70	2.31	5.00	3.66
Free Basic Services	2.00		2.00	2.00	3.00	2.50	2.40	3.00	2.70	2.31	5.00	3.66
Maintain and Upgrade Municipal Assets		1.00	1.00					3.00	3.00		5.00	5.00
Fleet Management		1.00	1.00					3.00	3.00		5.00	5.00
KPA 4: Financial Viability	2.32	2.33	2.33	2.60	2.28	2.44	2.58	2.73	2.68	3.33	4.66	4.00
Increase financial viability through increased revenue and efficient budget management	2.32	2.33	2.33	2.60	2.28	2.44	2.58	2.73	2.68	3.33	4.66	4.00



Finance												
Finance	KPI	PRJ	AVG	KPI	PRJ	AVG	KPI	PRJ	AVG	KPI	PRJ	AVG
	Sep 09			Dec 09			Mar 10			Jun 10		
Revenue Management	2.23	2.00	2.12	2.64	3.00	2.82	2.14	2.33	2.24	2.66	4.15	3.41
Budget and Expenditure Management	1.59	3.00	2.30	2.14	3.00	2.57	1.25	3.00	2.13	4.33	5.00	4.67
Supply chain management	2.09	1.00	1.55	2.09	1.67	1.88	3.00	2.33	2.67	3.00	4.36	3.68
Implementation of financial systems, policies, controls and regulations	2.98	3.00	2.99	2.73	3.00	2.87	3.08	3.00	3.04	3.00	5.00	4.00
Financial Reporting	2.00	3.00	2.50	3.00	2.00	2.50	3.00	3.00	3.00	4.00	4.45	4.23
Asset Management	3.01	2.00	2.51	3.01	1.00	2.01	3.01		3.01	3.01	5.00	4.01
KPA 5: Good Governance and Public Participation	2.59	1.50	2.05	2.50	1.50	2.00	3.00	2.00	2.75	4.63	2.73	4.12
Develop effective and sustainable stakeholder relations	3.00	1.00	2.00	3.00	1.00	2.00	3.00		3.00	4.50		4.50
IGR	3.00		3.00	3.00		3.00	3.00		3.00	4.50		4.50
Communication and customer care		1.00	1.00		1.00	1.00						
Develop and improve systems, processes, procedures and policies by practicing sound governance	2.17	2.00	2.09	2.00	2.00	2.00	3.00	2.00	2.50	4.75	2.73	3.74
Running of municipal council	1.33	1.00	1.17	3.00	1.00	2.00	3.00	1.00	2.00	4.50	1.00	2.75
Auditing	3.00	3.00	3.00	1.00	3.00	2.00	3.00	3.00	3.00	5.00	4.45	4.73
KPA 3: Local Economic Development					1.00	1.00						
Create community beneficiation and empowerment opportunities through networking for increased employment and poverty alleviation					1.00	1.00						
Job Creation (LED Strategy)					1.00	1.00						



5.6.19. Analysis of the Performance Scores

The best area of performance at the end of the year was in KPA 2: Basic Service Delivery where a score of **4.33** was achieved due to the performance of the Fleet Management and Free Basic Services programmes. All Key Performance Areas (KPA's) with the exception of KPA 3: Local Economic Development, have gone from being below target at mid-year to have target at the end of the year. The highest programme performance was seen by Fleet Management with a score of **5.00** (167%) and the lowest performance was from Integrated Development Planning and Running of Municipal Council both with a score of **2.75** (92%).

At the end of the year, the Finance department achieved target in 12/14 (85.71%) of the programmes which were applicable for reporting in the fourth quarter. Overall 60% (12/20) of the total programmes achieved target at the end of the year. Only 10% (2/20) of the programmes were under target. A total of 30% (6/20) of the programmes were not applicable for reporting in the fourth quarter. The following Key Performance Indicators (KPIs) and activities contributed to this performance:

Performance Challenges: Challenges have been faced by the department in that the number of households earning less than R 1,100 per month in terms of the indigent register that are receiving free basic electricity is only 5023 at the end of the year against the target of 12000 (41.86%) and the number receiving free basic waste removal is only 168 at the end of the year against the target of 300 (56%). In addition, the increase in revenue collections for the 2009/2010 financial year over the 2008/2009 financial year is in the amount of only R 11,311,696.00 against the target of R 33,985,355.00 at the end of the year. This equates to an increase of only 33.28% against what was expected.



5.7. Corporate Services

5.7.1. Overview

Function	Number of staff in the Department	Current vacancies
Budget and Treasury	12	2

5.7.2. Strategic Objectives of the above functions:

The above sections or units are strategically created for the following reasons:

- *Improved human resources*
- *Improve community well being and*
- *Promote good governance and organisational excellence*

5.7.3. The main strategic focus.

Corporate directorate focuses on effective governance and administration and ensuring that human resources is improved. The main focus of Corporate Services in the financial year 2009/2010 was to ensure that all vacant post are filled and also ensure that capacity building takes place. This was done in cooperation with the office of the Municipal Manager.

The Corporate Services Department has the following sections:

Customer Care and Relations

SERVICES	PRIORITIES 2008/2009	KEY SUCCESSES 2008/2009	KEY PROBLEMS AND CHALLENGES
CUSTOMER RELATIONS	Placing suggestion boxes at the main office	Suggestion box has been placed at the main entrance.	Customer care officer is not yet appointed.
SINAGE	Put sinage all Municipal Building.	Sinage has been put at the streets leading to the library.	There is no budget to also put sinage board's at all municipal buildings.
CUSTOMER CARE	Development of departmental service standards.	Draft service standard were developed by Corporate Services Department.	
	Conducting client satisfaction survey.	The survey was not conducted.	Shortage of manpower and other resources.



Council and Administration

SERVICE	PRIORITIES 2008/2009	KEY SUCCESSES 2008/2009	KEY PROBLEMS & CHALLENGES
ADMINISTRATIVE AND COUNCIL SUPPORT	Council to approve schedule of meetings.	Schedule approved	The schedule is adhered to unless when councillors are engaged in other government programmes.
	Upgrade printing equipment to reduce down-time and increase output	Upgraded rented Photocopier Machine to a bigger machine	
	Acquire new recording equipment/ PA system for council chamber	Recording system purchased.	PA System to be acquired after completion of new council chamber
	Organized system of Council support	Personnel & necessary equipments available	None

Information Technology

SERVICE	PRIORITIES 2007/2008	KEY SUCCESSES 2007/2008	KEY PROBLEMS & CHALLENGES
INFORMATION TECHNOLOGY	Initiating 1 st phase of the Human Resources IT system	The payroll system was installed and implemented.	Lack of personnel human resources management system of payroll.
	Upgrade of the financial system (FINSTEL)	Phase 1 of the project commenced (Planning)	Operators attending training were disturbed due to need to perform daily work.

The table below reflects how the Office of the Chief Financial Officer performed in implementing the SDBIP.



Key Performance Areas: KPI and Project performance

Corporate Services Department																
	Sep 09				Dec 09				Mar 10				Jun 10			
	KPI	PRJ	PRC	AVG	KPI	PRJ	PRC	AVG	KPI	PRJ	PRC	AVG	KPI	PRJ	PRC	AVG
Corporate				3.02				2.91				3.00				3.95
KPA 1: Municipal Transformation and Organisational Development	2.33	2.88		2.69	2.18	2.99		2.69	2.33	3.39		2.98	3.76	4.26		4.02
Address community needs through developmental spatial and integrated planning	3.00	2.50		2.75	3.00	2.95		2.98	3.00	3.88		3.44	5.00	4.78		4.89
Functionality of the Performance Management System	3.00	2.50		2.75	3.00	2.95		2.98	3.00	3.88		3.44	5.00	4.78		4.89
Develop a high performance culture for a changed, diverse, efficient and effective local government	3.00	3.00		3.00	2.53	3.00		2.77	3.00	3.39		3.15	3.95	4.40		4.21
Organisational Design and Human Resource Capacity	3.00	3.00		3.00	1.67	3.00		2.34					4.45			4.45
Employment Equity	3.00	3.00		3.00	3.00	3.00		3.00	3.00	3.00		3.00		4.35		4.35
OHS	3.00			3.00	2.00	3.00		2.50	3.00	3.00		3.00	3.00	4.40		3.70
Labour Relations	3.00			3.00	3.00			3.00	3.00			3.00	4.33			4.33
Management	3.00	3.00		3.00	3.00	3.00		3.00	3.00	4.16		3.58	4.00	4.45		4.23
Develop and build skilled and knowledgeable workforce		3.00		3.00		3.00		3.00		3.32		3.32	3.09	3.85		3.47
Skills Development		3.00		3.00		3.00		3.00		3.32		3.32	3.09	3.85		3.47
Attract and retain the best human capital to become employer of choice	1.00	3.00		2.00	1.00	3.00		2.00	1.00	2.97		1.99	3.00	4.00		3.50



Corporate Services Department																
	Sep 09				Dec 09				Mar 10				Jun 10			
	KPI	PRJ	PRC	AVG	KPI	PRJ	PRC	AVG	KPI	PRJ	PRC	AVG	KPI	PRJ	PRC	AVG
Employee Performance Management	1.00	3.00		2.00	1.00	3.00		2.00	1.00	2.97		1.99	3.00	4.00		3.50
KPA 4: Financial Viability	3.00			3.00	3.00			3.00	3.00			3.00	3.00	4.45		3.73
Increase financial viability through increased revenue and efficient budget management	3.00			3.00	3.00			3.00	3.00			3.00	3.00	4.45		3.73
Asset Management	3.00			3.00	3.00			3.00	3.00			3.00	3.00			3.00
Financial Reporting														4.45		4.45
KPA 5: Good Governance and Public Participation	3.13	3.71		3.40	2.74	3.50		3.04	3.00	3.08		3.03	3.42	3.90		3.61
Develop effective and sustainable stakeholder relations	3.00			3.00	3.00	4.50		3.75	3.00	3.00		3.00	3.00	3.70		3.35
IGR	3.00			3.00	3.00			3.00	3.00			3.00	3.00			3.00
Communication and customer care						4.50		4.50		3.00		3.00		3.70		3.70
Intergovernmental Relations (District IGR structures) (Protocol - MM and PA)										3.00		3.00				
Develop and improve systems, processes, procedures and policies by practicing sound governance	3.26	3.71		3.79	2.47	2.50		2.33	2.99	3.16		3.05	3.84	4.10		3.86
Running of municipal council	3.00	3.00		3.00	3.00	3.00		3.00	3.00	3.32		3.16	4.55	5.00		4.78
By-laws and Policies	3.00	3.00		3.00	3.00	3.00		3.00	3.00	3.00		3.00	5.00	5.00		5.00
Auditing	5.00			5.00	1.00			1.00	3.00			3.00	3.00			3.00
Legal Services	3.00	3.00		3.00	3.00	3.00		3.00	3.00	3.32		3.16	3.00	4.40		3.70
Information Technology	2.28	3.75		3.02	2.37	1.52		1.95	2.95			2.95	3.67	2.00		2.84



Corporate Services Department																
	Sep 09				Dec 09				Mar 10				Jun 10			
	KPI	PRJ	PRC	AVG	KPI	PRJ	PRC	AVG	KPI	PRJ	PRC	AVG	KPI	PRJ	PRC	AVG
Administration		5.00		5.00		2.00		2.00		3.00		3.00				
Departmental Management		4.50		4.50												
KPA 2: Basic Service Delivery		3.00		3.00						3.00		3.00		4.45		4.45
Maintain and Upgrade Municipal Assets		3.00		3.00						3.00		3.00		4.45		4.45
Fleet Management		3.00		3.00						3.00		3.00		4.45		4.45



The best area of performance in the fourth quarter was in KPA 2: Basic Service Delivery where a score of **4.45** was achieved due to the performance of the Fleet Management programme. All Key Performance Areas (KPA's) have consistently over achieved throughout the year with the exception of KPA 1: Municipal Transformation and Organisational Development which was below target at mid-year but is now over achieving at the end of the year. The highest programme performance was seen by By-laws and Polices with a score of **5.00** (167%) and the lowest performance was from Information Technology with a score of **2.84** (95%).

At the end of the year, the Corporate Services department achieved target in 17/18 (94.44%) of the programmes which were applicable for reporting in the fourth quarter. The following chart depicts the percentage of programmes reaching the different score ratings:

5.8. Infrastructure Development and Economic Planning

5.8.1. Overview

FUNCTION	NO. OF STAFF PER FUNCTION-FULL TIME	CURRENT VACANCIES
INDEP		
Roads	22	04
Electricity Distribution	07	03
Water Distribution	15	05
Water Storage	15	05
Street Lightning	0	0
Workshop	04	0
Property Services	06	01
Housing	04	16

5.8.2. Strategic Objectives of the above functions:

The above sections or units are strategically created for the following reasons:

- *Service Delivery*
- *Improve community well being and*
- *Spatial Planning and Rural Development*
- *Growth the Economy for Sustainable Livelihood*

5.8.3. The main strategic focus.

Infrastructure Development and Planning focus on service delivery issues with project management being the main the component. The main focus of this directorate in the financial year 2009/2010 was to improve service delivery.

The Infrastructure Development and Planning (INDEP) Department has the following sections:

Economic Development and Planning



- *Local Economic Development (LED)*
- *Integrated Development Planning (IDP)*
- *Housing, Land Use and Town Planning*

Technical

- *Water and Sanitation*
- *Roads*
- *Electricity*
- *PMU*
- *Buildings*

Chapter 2 has dealt much with the issue of backlogs, key successes and challenges, hence it is not necessary to repeat the same information in this section. The table below reflects the performance of this department in implementing the SDBIP.



Key Performance Areas: KPI and Project performance

Infrastructure Planning & Economic Development Department												
	Sep 09			Dec 09			Mar 10			Jun 10		
Infrastructure Planning & Economic Development Department	KPI	PRJ	AVG	KPI	PRJ	AVG	KPI	PRJ	AVG	KPI	PRJ	AVG
KPA 1: Municipal Transformation and Organisational Development	2.60	2.46	2.54	3.44	2.34	2.99	3.03	2.77	2.91	3.96	4.60	4.23
Address community needs through developmental spatial and integrated planning	2.72	2.46	2.59	3.88	2.42	3.15	2.79	2.65	2.72	3.80	4.80	4.30
Integrated Development Planning	2.44	1.92	2.18	2.76	1.83	2.30	2.57	2.29	2.43	4.59	4.76	4.68
Functionality of the Performance Management System	3.00	3.00	3.00	5.00	3.00	4.00	3.00	3.00	3.00	3.00	4.84	3.92
Develop a high performance culture for a changed, diverse, efficient and effective local government	2.48		2.48	3.00	2.25	2.82	3.26	2.88	3.10	4.11	5.00	4.39
OHS				3.00		3.00	3.00		3.00	4.33		4.33
Management	2.48		2.48	3.00	2.25	2.63	3.52	2.88	3.20	3.89	5.00	4.45
Attract and retain the best human capital to become employer of choice											4.00	4.00
Employee Performance Management											4.00	4.00
KPA 2: Basic Service Delivery	3.26	2.44	2.93	2.73	2.16	2.45	2.92	2.50	2.61	4.53	4.38	4.46
Optimise infrastructure investment and services	3.00	4.00	3.50	1.50	4.00	2.75	1.13	4.00	2.57	5.00	5.00	5.00
Municipal Infrastructure	3.00	4.00	3.50	1.50	4.00	2.75	1.13	4.00	2.57	5.00	5.00	5.00
Improve access to sustainable and affordable services	4.40	1.83	2.91	4.17	1.21	2.20	4.71	1.59	2.54	4.50	4.13	4.28
Water Services	5.00		5.00	4.33		4.33	4.42		4.42	5.00		5.00
Electricity	3.80	1.50	2.65	4.00		4.00	5.00	1.10	3.05	4.00		4.00
Electricity Street Lighting					1.25	1.25		1.25	1.25		4.40	4.40
Refuse Transfer Station		1.00	1.00		1.00	1.00						



Infrastructure Planning & Economic Development Department												
	Sep 09			Dec 09			Mar 10			Jun 10		
Project Management		3.00	3.00		1.50	1.50		2.75	2.75		5.00	5.00
Community Facilities					1.10	1.10		1.25	1.25		3.00	3.00
Maintain and Upgrade Municipal Assets	2.39	1.48	2.37	2.52	1.27	2.39	2.93	1.91	2.73	4.08	4.00	4.11
Maintenance	1.00	1.00	1.00	1.00	1.00	1.00	1.19	1.00	1.10	5.00		5.00
Streets	1.72	1.53	1.63	2.67	1.80	2.24	4.30	2.41	3.36	4.00	4.64	4.32
Fleet Management	2.00	1.92	1.96	1.99	1.00	1.50	3.02	2.32	2.67	3.32	3.20	3.26
Water Maintenance	3.00		3.00	3.00		3.00	3.00		3.00	4.33		4.33
Sewerage	3.00		3.00	3.00		3.00	3.00		3.00	5.00		5.00
Electricity Maintenance	3.00		3.00	3.00		3.00	3.00		3.00	3.24		3.24
Community Facilities	3.00		3.00	3.00		3.00	3.00		3.00	3.67		3.67
Roads and Stormwater											5.00	5.00
Municipal Buildings											3.15	3.15
KPA 3: Local Economic Development	3.22	2.87	3.19	2.34	3.05	2.68	2.34	2.38	2.34	3.34	3.00	3.34
Create community beneficiation and empowerment opportunities through networking for increased employment and poverty alleviation	3.44		3.44	3.67	3.10	3.35	3.67	3.10	3.35	3.67		3.67
Job Creation (LED Strategy)	4.33		4.33	5.00	3.10	4.05	5.00	3.10	4.05	5.00		5.00
Forums	3.00		3.00	3.00		3.00	3.00		3.00	3.00		3.00
LED	3.00		3.00	3.00		3.00	3.00		3.00	3.00		3.00
Create a stable economic environment by attracting suitable investors	3.00	2.87	2.94	1.00	3.00	2.00	1.00	1.65	1.33	3.00	3.00	3.00
Economic Growth (LED)	3.00	2.87	2.94	1.00	3.00	2.00	1.00	1.65	1.33	3.00	3.00	3.00
KPA 4: Financial Viability	2.67		2.67	3.33	2.50	2.92	3.65	3.00	3.65	4.00	4.45	4.24



Infrastructure Planning & Economic Development Department												
	Sep 09		Dec 09			Mar 10			Jun 10			
Increase financial viability through increased revenue and efficient budget management	2.67		2.67	3.33	2.50	2.92	3.65	3.00	3.65	4.00	4.45	4.24
Revenue Management	5.00		5.00	5.00	1.50	3.25	5.00		5.00	5.00		5.00
Budget and Expenditure Management	2.00		2.00	2.00	3.00	2.50	2.96		2.96	4.00		4.00
Asset Management	1.00		1.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	4.45	3.73
KPA 5: Good Governance and Public Participation	3.34	3.00	3.17	3.00	3.00	3.00	3.00	3.00	3.00	4.67	4.63	4.62
Develop effective and sustainable stakeholder relations	3.00		3.00	3.00		3.00	3.00		3.00	4.33		4.33
IGR	3.00		3.00	3.00		3.00	3.00		3.00	4.33		4.33
Develop and improve systems, processes, procedures and policies by practicing sound governance	3.67	3.00	3.34	3.00	3.00	3.00	3.00	3.00	3.00	5.00	4.63	4.91
Running of municipal council	4.33	3.00	3.67	3.00	3.00	3.00	3.00	3.00	3.00	5.00	4.63	4.82
Auditing	3.00		3.00	3.00		3.00	3.00		3.00	5.00		5.00



The best area of performance in the fourth quarter was in KPA 5: Good Governance and Public Participation where a score of 4.62 (154%) was achieved due to the performance of the Auditing and Running of Municipal Council programmes. All other Key Performance Areas (KPA's) have gone from being below target at mid-year to over target at the end of the year.

At the end of the year, the Infrastructure and Development department achieved target in 30/30 (100.00%) of the programmes which were applicable for reporting in the fourth quarter, with the highest score of 5.00 being achieved by nine programmes. The following chart depicts the percentage of programmes reaching the different score ratings:



5.9. Community Services

5.9.1. Overview

5.9.2. Strategic Objectives of Community Services

The above sections or units are strategically created for the following reasons:

- *Service Delivery*
- *Improve community well being and*
- *Spatial Planning and Rural Development*

5.9.3. The main strategic focus.

The main objective of Community Services is to improve the well being of the community hence its focus activities that are directly linked to the community. The Directorate is responsible for community services which comprise of the following core functions and performance areas:

- *Waste,*
- *Libraries,*
- *Disaster*
- *Sports Arts and Culture,*
- *Vehicle Licensing and Testing and*
- *Cemeteries*

5.9.4. Description of Activity

The main key activities of the division are as follows:

- *Solid Waste Management*
- *Community Facilities*
- *Environmental Health Management*
- *Disaster Management*
- *Law Enforcement*
- *Sports, Arts and Culture and*
- *Libraries*



Waste

SERVICE	PRIOROTIES 2008/2009	KEY SUCCESSES 2008/2009	KEY PROBLEMS & CHALLENGES
Solid waste	To provide refuse removal services and establishes a landfill site.	The rehabilitation (phase 2) of old landfill site at Ga-Kgapane township is complete and it is funded by DEAT. They are promising to fund the third phase.	<ul style="list-style-type: none"> Permitted landfill site. The illegal dumping in Ga-Kgapane which hopefully be solved with the establishment of a transfer station.
	Rehabilitation of old landfill site at Modjadjiskloof.	The application for funding was done with DEAT.	Funding
	Establishment of the new landfill site at Maphalle Village.	Mopani District Municipality appointed a Consulting Engineer who is responsible for the feasibility study, designs, EIA and Geotechnical report. Presently the engineer is no more reporting to MDM or the municipality.	<p>Proper consultation by the consultant with the municipality is needed.</p> <p>Lack of internal capacity to do feasibility study, designs, EIA and Geotechnical report.</p>
	Integrated Waste Management Plan.	The Integrated Waste Management Plan is available	The Municipality needs to review the Integrated Waste Management Plan.
	Waste by-laws	Waste by-laws are available	Implementation of the bylaws is a challenge due to lack of law enforcement officers
	Refuse vehicle purchased	Industrial bins for business sites have been distributed to the different shopping complexes around Mokwakwaila, Ga-Kgapane and Modjadjiskloof	The problem is that the municipality do not have enough personnel to perform the service.
	Cleaning campaigns conducted	The municipality participated	Need to be extended to villages
	Cleanest town competition	The municipality participated	No land fill site
	Waste Minimisation Plan	Illegal dumping signs have been put up in areas where illegal dumping took place at Modjadjiskloof & Ga-Kgapane. The municipality is	Lack of internal capacity
	Dealing with illegal waste		Successful but need the involvement of the



SERVICE	PRIOROTIES 2008/2009	KEY SUCCESSES 2008/2009	KEY PROBLEMS & CHALLENGES
		planning to develop a transfer station at the affected areas.	communities

Disaster Management

SERVICE	PRIORITIES 2008/2009	KEY SUCCESSES	KEY PROBLEMS & CHALLENGES
Provide basic relief for homeless due to shack fires	Foods parcels, blankets & tents were provided to the affected homes.	GLM Co-ordinated with SASSA and distributed food parcels to THIRTY NINE (39) families which were affected by disaster.	None.
	Review of Disaster Management Plans and implementation of strategies to address disaster relief, rehabilitation and construction	Disaster management plans has been reviewed and taken to council for approval and to the IDP.	The District is taking time to localise the plan.
	Number of preventative measures implemented per Disaster Area	Twenty preventative measures implemented	

Vehicle Licensing and Testing

SERVICE	PRIOROTIES 2008/2009	KEY SUCCESSES 2008/2009	KEY PROBLEMS & CHALLENGES
Traffic (Law enforcement)	Provision of effective law enforcement to all areas and community of GLM.	Improvement in payment of traffic fines	
		Hiring of 17 interns to assist in the traffic section	
		Visible policing is being done on daily basis.	
	To reduce the road accident by at least 10% compared to the previous years.	Nine. accidents attended to.	
	Implementation of development program/project to ensure service delivery.	Traffic control at special events is done when requested.	
	Summonses issued	Improvement in payment of traffic	



	R323 & RD 329 Transactions 75.	summons Total Made for all Transactions for the year = R3 483 429	
Licensing		Drivers licenses Tested > 3008 Passed >2200 Failed > 731 Drivers licence card: Issued > 5924 Sent > 7846 Received > 9155	Shortage of testing officers compared to the number of applicants.

Libraries

SERVICE	PRIOROTIES 2008/2009	KEY SUCCESSES 2008/2009	KEY PROBLEMS & CHALLENGES
Library Services	<ul style="list-style-type: none"> Marketing of libraries (Educate on the use of libraries) 	<ul style="list-style-type: none"> Increase in registered library users 	<ul style="list-style-type: none"> The public complains about the high tariff for the registration fee. (The tariff needs to be revisited)

Sport, Arts and Culture

SERVICE	PRIOROTIES 2008/2009	KEY SUCCESSES 2008/2009	KEY PROBLEMS & CHALLENGES
Sports, arts and culture	Participation into the district SAC initiatives	The municipality has participated in to the district municipality SAC initiatives.	No dedicated person to deal with Sports, arts and culture

A summary of the department's performance as per its scorecard is listed below.



Community Services Directorate												
	Sep 09			Dec 09			Mar 10			Jun 10		
	KPI	PRJ	AVG	KPI	PRJ	AVG	KPI	PRJ	AVG	KPI	PRJ	AVG
Community Services			3.27			3.10			3.37			3.52
KPA 1: Municipal Transformation and Organisational Development	4.00	3.00	3.50	4.00	3.00	3.50	3.78	3.00	3.26	4.20	3.23	3.46
Address community needs through developmental spatial and integrated planning	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	5.00	3.00	4.00
Functionality of the Performance Management System	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	5.00	3.00	4.00
Develop a high performance culture for a changed, diverse, efficient and effective local government	5.00	3.00	4.00	5.00	3.00	4.00	4.56	3.00	3.78	3.39	3.70	3.37
OHS										3.00		3.00
Management	5.00	3.00	4.00	5.00	3.00	4.00	4.56	3.00	3.78	3.78	3.70	3.74
Attract and retain the best human capital to become employer of choice								3.00	3.00		3.00	3.00
Employee Performance Management								3.00	3.00		3.00	3.00
KPA 2: Basic Service Delivery	3.44	3.22	3.40	2.86	3.00	2.89	3.33	3.08	3.26	3.61	3.91	3.86
Promote environmentally sound practices and social development	3.31	3.22	3.31	2.60	3.00	2.67	3.00	3.00	3.00	3.84	3.67	3.78
Environmental Health Management		3.67	3.67		3.00	3.00		3.00	3.00	3.00	3.00	3.00



Community Services Directorate												
	Sep 09			Dec 09			Mar 10			Jun 10		
	KPI	PRJ	AVG	KPI	PRJ	AVG	KPI	PRJ	AVG	KPI	PRJ	AVG
Disaster Management	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	4.00	3.00	3.50
Law Enforcement	3.78	3.00	3.39	3.00	3.00	3.00	3.00	3.00	3.00	4.67	5.00	4.84
Licensing: Registering Authority	3.00		3.00	3.00		3.00	3.00		3.00	4.35		4.35
Libraries	3.00		3.00	1.00		1.00	3.00		3.00	3.00		3.00
Sports, Arts and Culture	3.78		3.78	3.00		3.00	3.00		3.00	4.00		4.00
Improve access to sustainable and affordable services	3.00	3.44	3.22	2.98	3.00	3.00	2.98	3.24	3.12	3.00	3.67	3.67
Solid Waste Management (Solid Waste)	3.00	3.44	3.22	2.98	3.00	2.99	2.98	3.47	3.23	3.00	3.00	3.00
Community Facilities					3.00	3.00		3.00	3.00		4.33	4.33
Maintain and Upgrade Municipal Assets	4.00	3.00	3.67	3.00		3.00	4.00	3.00	3.67	4.00	4.40	4.13
Streets	5.00		5.00				5.00		5.00	5.00		5.00
Cemeteries	3.00		3.00	3.00		3.00	3.00		3.00	3.00		3.00
Fleet Management		3.00	3.00					3.00	3.00		4.40	4.40



Community Services Directorate												
	Sep 09			Dec 09			Mar 10			Jun 10		
	KPI	PRJ	AVG	KPI	PRJ	AVG	KPI	PRJ	AVG	KPI	PRJ	AVG
KPA 4: Financial Viability	3.00		3.00		3.00	3.00	4.00		4.00	4.00	3.00	3.67
Increase financial viability through increased revenue and efficient budget management	3.00		3.00		3.00	3.00	4.00		4.00	4.00	3.00	3.67
Budget and Expenditure Management	3.00		3.00		3.00	3.00	5.00		5.00	5.00		5.00
Asset Management	3.00		3.00				3.00		3.00	3.00		3.00
Financial Reporting					3.00	3.00					3.00	3.00
KPA 5: Good Governance and Public Participation	3.20	3.42	3.16	3.00	3.00	3.00	3.00	2.75	2.94	3.09	3.25	3.07
Develop effective and sustainable stakeholder relations	3.00		3.00	3.00		3.00	3.00		3.00	3.00		3.00
IGR	3.00		3.00	3.00		3.00	3.00		3.00	3.00		3.00
Develop and improve systems, processes, procedures and policies by practicing sound governance	3.39	3.42	3.31	3.00	3.00	3.00	3.00	2.75	2.88	3.17	3.25	3.14
Running of municipal council	3.39	3.83	3.61	3.00	3.00	3.00	3.00	2.50	2.75	3.33	3.50	3.42
Auditing										3.00		3.00
By-laws and Policies		3.00	3.00		3.00	3.00		3.00	3.00		3.00	3.00





The Community Services Department received a score of **3.52 (117%)** for this quarter. This was an increase from the **3.37 (112%)** achieved in the previous quarter and the highest score achieved by the department for the financial year. This was calculated by taking an average of the combined Key Performance Areas (KPA's).

The best area of performance in the fourth quarter was in KPA 2: Basic Service Delivery where a score of **3.86** (129%) was achieved due to the performance of the Law Enforcement and Streets programmes. All Key Performance Areas (KPA's) have over achieved in this quarter and have performed consistently throughout the financial year. All programmes reached target in this quarter. The maximum score of **5.00** was achieved by both the Streets and Budget and Expenditure Management Programmes.

At the end of the year, the Community Services department achieved target in all of the programmes. The following chart depicts the percentage of programmes reaching the different score ratings:



ANNEXURE A:AUDITED FINANCIAL STATEMENTS



ANNEXURE B: AUDIT OUTCOMES